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Ministry of
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Sports and
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Division

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1972 FINANCES OF MUNICIPAL RECREATION

THE 1972 FINANCES OF MUNICIPAL

RECREATION

Prepared for

Sports and Fitness Division

Ministry of Culture and Recreation

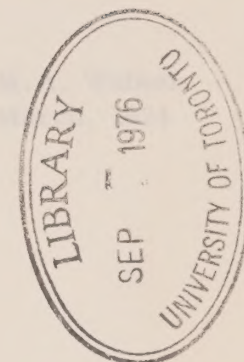
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March, 1974.





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Also, we offer thanks to Mr. Fred Orban, Mr. Jim Bell, and Miss Marcia Brown of the Ministry of Education for their provision of computer services. Mr. Stephen Treadwell is to be commended for his computer programming, enabling this analysis to be completed quickly.

The Director of the Sports and Recreation Bureau, Mr. R. Secord, and his staff have offered continuous en-

couragement to the research team. Without the financial and professional support of the Bureau, this study would not have been feasible.

Finally, our greatest appreciation is extended to those individuals in the municipalities who spent many hours providing the researchers with the best information available regarding their 1972 recreation finances. It is hoped that this publication will be of greatest benefit to those who gave their time to make the study possible.

M. A. Walker
March, 1974

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1972 FINANCES OF MUNICIPAL RECREATION

Carefully planned expenditures, based on reliable sources of revenue, are critical in the provision of recreation services today. It is apparent that increasingly vast sums are being expended by municipalities as the need for recreation facilities and programs expands in diversity and in volume. To date, Canadian information regarding municipal financing techniques and trends in recreation spending is meagre.

The Municipal Finance Branch of the Ministry of Treasury, Economics and Intergovernmental Affairs annually publishes Municipal Financial Reports Data which summarizes the financial statements of all Ontario's communities. This publication reports total expenditures for parks and recreation, but it does not indicate sources of revenue, nor does it satisfactorily classify expenditures.

Those administering recreation services and planning for future services, then, have had to base financial management decisions on intuition, personal experience and foreign literature. Data are required to indicate the relative importance of government subsidies, municipal tax appropriations and monies from the operation of programs and facilities as sources of revenue for operations and capital projects. A review of expenditures in municipal recreation is needed to indicate scope, priorities and trends in spending.

During the summer of 1973, the Sports and Recreation Bureau of the Ministry of Community and Social Ser-

vices, in response to requests from the Universities of Ottawa and Waterloo, funded an exploratory study into the 1972 finances of municipal recreation.

A research team was formed in mid-April, its members being Dr. E. H. Storey and Ron Melchers from the University of Ottawa, Dr. D. Crapo and Ann Walker from the University of Waterloo and Wm. Knott, Research Consultant, Sports and Recreation Bureau. The project instrument was designed with the following purposes in mind:

- 1) To compile and compare the 1972 operating and capital financial statements of municipal recreation and parks authorities.
- 2) To compare total recreation spending from the years 1970 to 1973.
- 3) To compare total municipal spending with gross expenditures in recreation and parks.
- 4) To note direct municipal grants to private bodies providing recreation services to the community.
- 5) To learn the existence and political makeup of public bodies responsible for recreation services in the sampled communities.
- 6) To gain an insight into the financing techniques currently employed by these bodies.

Through personal interviews, complete information was collected from 105 of the 527 municipalities identified as having municipal parks and recreation authorities. The communities studied included all towns.

cities and townships of populations over 16,000 and a representative, random, stratified sampling of municipalities under this size.

Endorsement from the Ontario Recreation Society, Ontario Municipal Recreation Association and the Society of Directors of Municipal Recreation of Ontario, and discussions with their members regarding the study purposes and implications were invaluable towards designing the study questionnaire and completing the research. The Ministry of Treasury, Economics and Intergovernmental Affairs was consulted regularly throughout the project, providing the researchers with many insights regarding municipal budgeting procedures and trends. Further specific information regarding grants was gained, during the analysis, from the administrators of the various provincial subsidies.

SUMMARY

This publication describes an exploratory analysis of the 1972 finances of municipal recreation in Ontario. Of 527 municipalities identified as having functioning municipal parks and recreation authorities, 105 have been included in this study. Through personal interviews, all communities of populations over 16,000 were investigated, as was a random stratified sample of municipalities under this size. Within each of these municipalities, complete financial information was gathered from the following public boards and committees: Parks and Recreation Committees, Recreation Committees, Parks Boards, Boards of Park Management, Community Centre Boards, Arena Boards and Others (swimming pool boards etc.).

Throughout the analysis, stress is given to sources of revenue because a complete lack of budget standardization inhibits the detailed examination of expenditure patterns. The relative contribution (by percent) of government subsidies, user fees and charges, general municipal revenues and private contributions toward the total operating revenues required has been calculated for seven defined population categories. Capital revenues are analyzed under the following headings: debentures, general municipal revenues, reserve funds, government subsidies and private contributions. cursory analysis of the political make-up of the described recreation authorities, and per capita expenditures has also been included.

THE POLITICAL MAKE-UP OF MUNICIPAL PARKS
RECREATION AUTHORITIES

In the 105 municipalities surveyed, approximately 175 recreation authorities were identified and surveyed for their financial information. Most of the municipalities included in the study had more than one body providing services of a recreational nature. This chart indicates the percentage occurrence of each of these authorities, with the indicated political make-up, in the total municipalities surveyed. On the left of the chart, 'Non-Practicing' refers to boards which exist for grant purposes only, or have ceased to function. 'Council' indicates that the committee or board is made up of municipal council members only. 'Lay with Council Representation' refers to a body which is comprised mainly of lay people (citizens), with at least two council members representing the municipal government. 'Total' shows the overall occurrence (again by percent) of the authorities shown, regardless of their political representation. All of the authorities considered are indicated on the bottom row of the matrix.

Examples:

- a) 41.0 percent of the municipalities surveyed had combined Parks and Recreation authorities.
- b) Parks Boards which were made up of council members only, existed in 8.6 percent of the municipalities studied.
- c) The most frequently occurring body was the Recre-

ation Committee, comprised of lay people with representation from the municipal council. (46.7 percent of the municipalities surveyed had recreation authorities of this nature.)

THE POLITICAL MAKE-UP OF MUNICIPAL PARKS AND RECREATION AUTHORITIES

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Non-Practicing	0.0	2.9	1.0	1.0	2.9	1.0	0.0
Council	17.1	4.8	8.6	1.0	1.0	2.9	1.0
Lay with Council Representation	23.8	46.7	5.7	6.7	23.8	11.4	1.9
Total	41.0	54.3	15.2	8.6	27.6	15.2	2.9
	Parks & Recreation Committee	Recreation Committee	Park Board	Board of Park Management	Community Centre Board	Arena Board	Other

(Figures represent the percentage occurrences of the various boards and committees in the 105 municipalities surveyed)

PER CAPITA SPENDING (OPERATIONS)

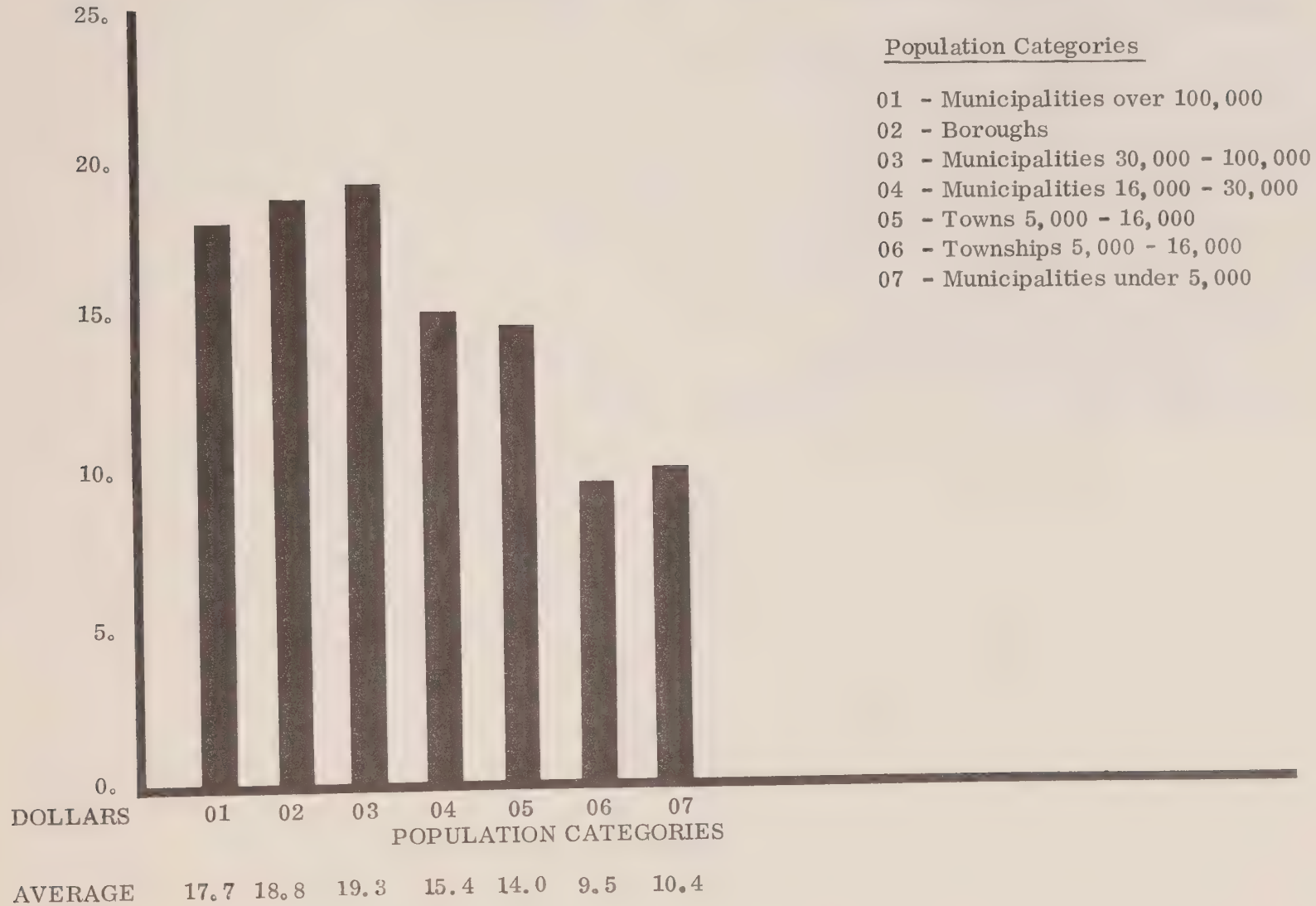
This chart indicates the average per capita expenditure for parks and recreation within various population categories. The gross operating expenditures (including administration, maintenance, programs, parks, facilities, debt charges and grants to private agencies and community groups) of all boards, committees and commissions responsible for public parks and recreation services were totalled and divided by the 1972 population.

Per capita expenditure is not necessarily a valid indicator of levels of recreation services actually provided at the program level. Large municipal recreation authorities tend to spend a greater proportion of their budgets on administrative, maintenance and debt charges than do the smaller, committees and boards. This accounts, in part for the decrease in per capita spending in the smaller population categories.

Actually, much more money is being spent in recreation and parks than could be indicated in a study of this nature. Although the figures reflect direct municipal grants to private agencies such as Y. M. C. A. 's and clubs such as senior citizens, other public monies expended by these groups have not been noted. As well, the support of the Ministry of Education of leisure pursuits through community school programs is very extensive, but is not a part of the budget figures collected.

PER CAPITA SPENDING (OPERATIONS)

7



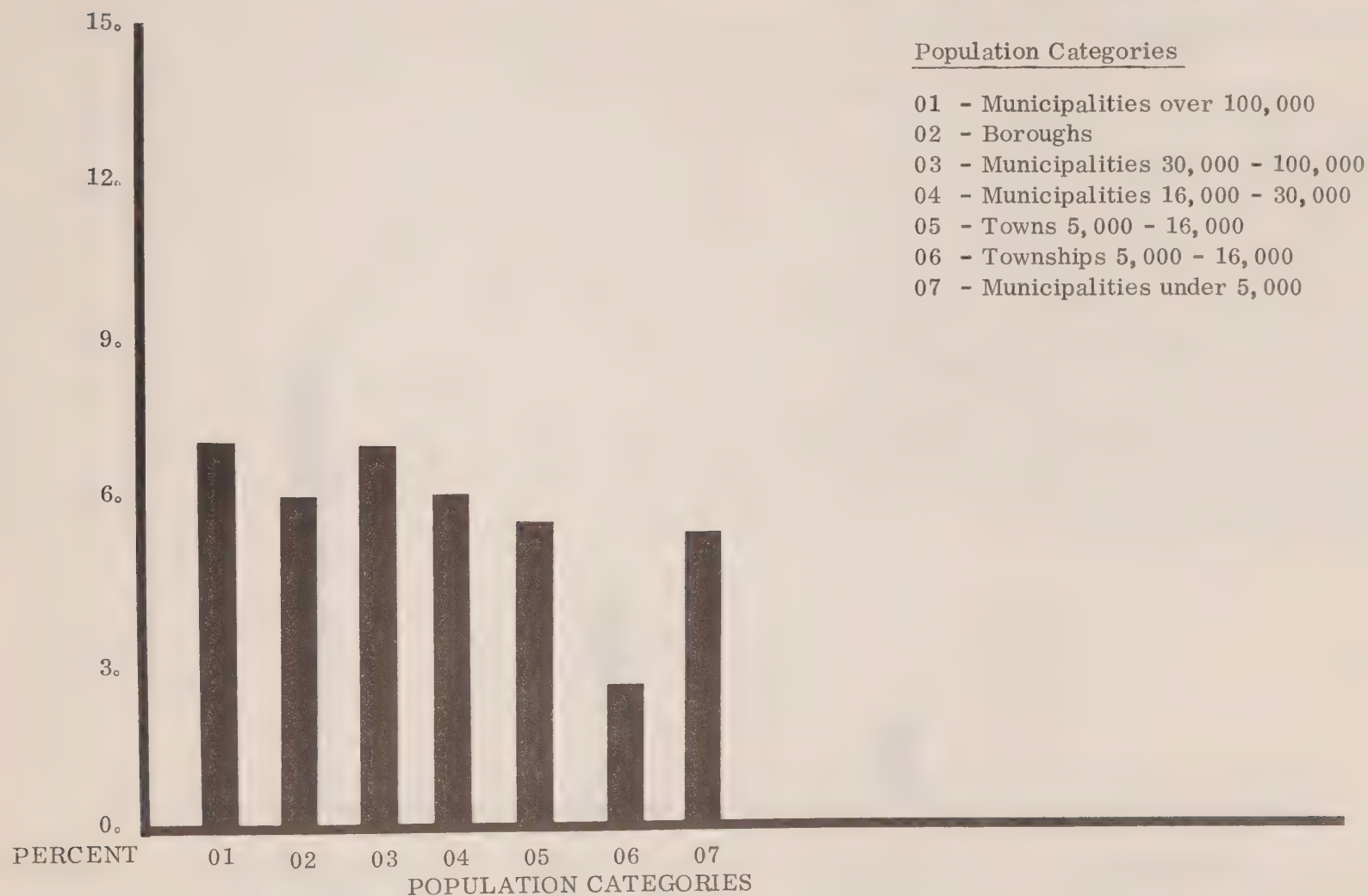
Note: Per capita spending by Metro Parks Commission augments City of Toronto and Borough total recreation expenditures.

PARKS AND RECREATION SPENDING IN TOTAL
MUNICIPAL EXPENDITURES

Gross operating parks and recreation expenditures for all municipal recreation authorities, as well as municipal grants to private agencies and community groups have been calculated as a percentage of the total municipal operating expenditures, so that comparisons could be made. The municipal expenditures include contributions to upper-tier governments (the county or region) as well as spending in education, which are not controlled by municipal council. The exclusion of these two transfer payments from total municipal spending would increase considerably the figures on the graph, demonstrating the priority given to recreation in the actual working budget.

PARKS AND RECREATION SPENDING IN TOTAL MUNICIPAL EXPENDITURES

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AVERAGE	7.1*	6.0	7.0	6.1	5.6	2.8	5.4
HIGH	14.4	7.2	13.0	8.5	7.6	5.6	16.3
LOW	3.3	5.0	3.4	3.7	3.2	0.9	0.5

Note: Spending by Metro Parks Commission augments City of Toronto and Borough total recreation expenditures

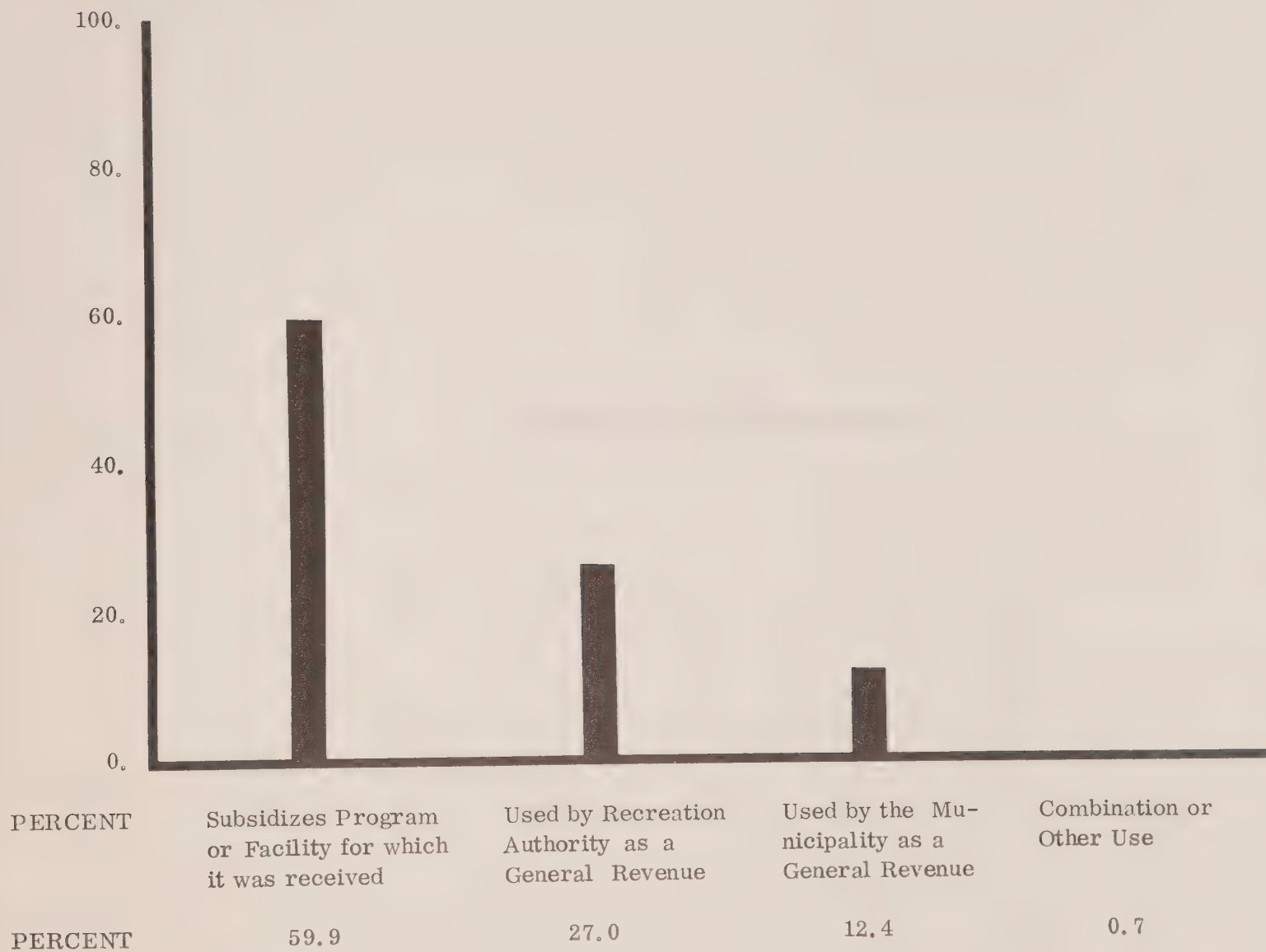
*Estimate

THE USE OF REVENUES FROM USER FEES AND CHARGES

During the collection of data, the researchers asked the municipal official where monies from fees and charges (gate receipts, program user fees, rentals and concessions) were budgeted. In close to 60 percent of the boards and committees surveyed, revenues from this source were employed to offset the costs of providing the particular service for which the fees were collected (net budgeting). Twenty-seven percent of the authorities surveyed included these funds with general sources of revenue to the recreation committee. A system of gross budgeting is employed by some municipalities, resulting in the reporting of user fees and charges as a general municipal revenue. 12.4 percent of the parks and recreation authorities studied indicated this type of budgetary system.

THE USE OF REVENUES FROM USER FEES AND CHARGES

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Operating Revenues

OPERATING REVENUES

The following seven graphs, (one for each population category in the study) demonstrate the relative percentage contribution of various sources of operating revenues to the municipal recreation authority. All revenues received by the stipulated boards and committees have been totalled in each municipality in order to calculate these percentages. While general municipal revenues decrease steadily with the population, grants and fees and charges appear to have an inverse relationship with one another. That is, fees and charges, rather than municipal support, tend to increase when grants are relatively low.

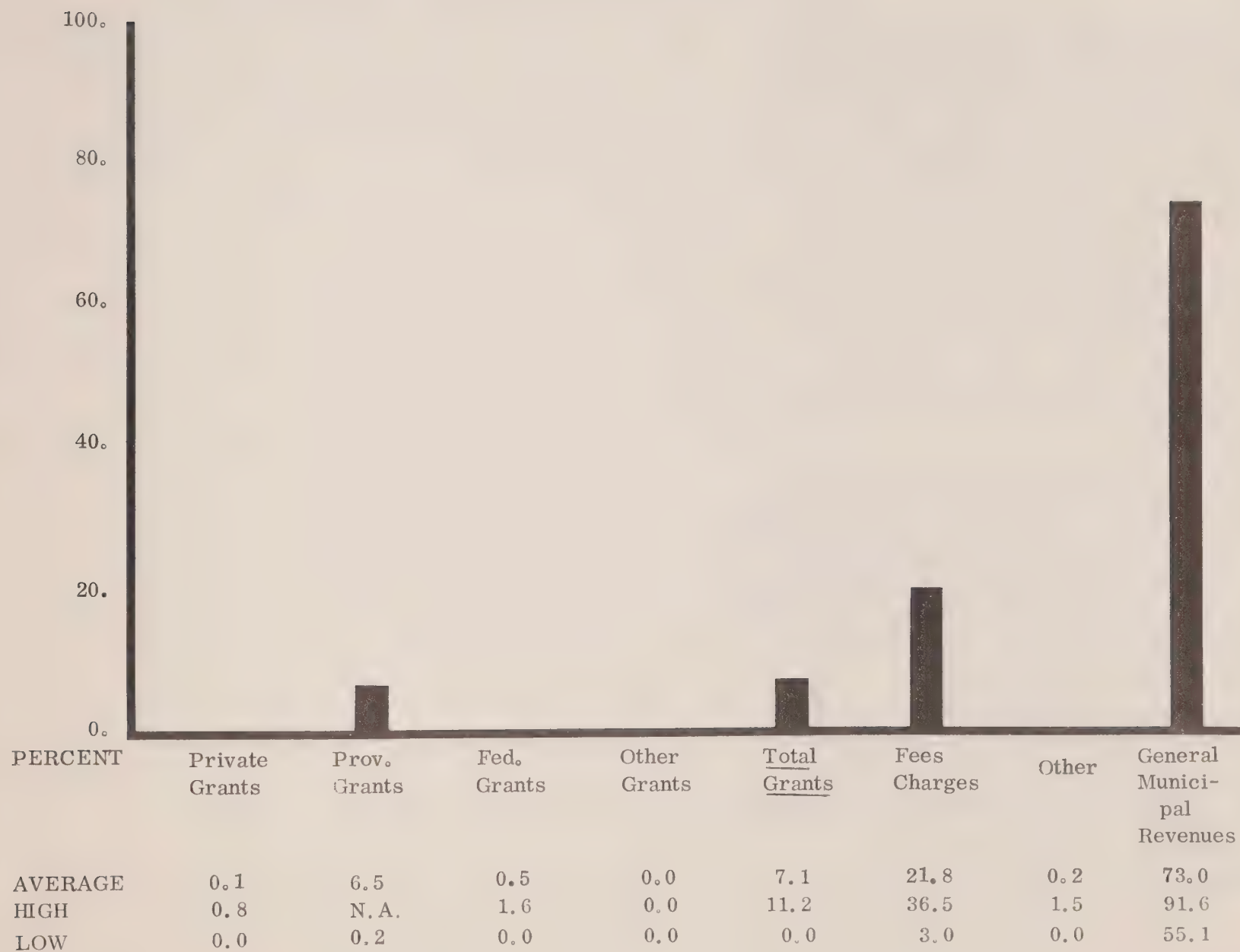
Private Grants are those received from industry, non-governmental agencies and private individuals. These grants are of limited importance relative to other revenues according to the graphs. However, the uncounted contribution of volunteers in the areas of labour and leadership is undoubtedly quite significant in many municipalities.

Provincial Grants include money received from the following Acts and grants: Annual Program Grant (Regulation 200 administered by the Ministry of Community and Social Services), Arena Managers Salary Grant, Parks Assistance Act, Elderly Persons Centres Act, Day Nurseries Act, Youth-in-Action, Municipal Employment Incentives Program (Winter Works), and in some cases, capital subsidies such as the Community Centres Act grant which may be

OPERATING REVENUES

01 - MUNICIPALITIES OVER 100,000

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recorded in the operating budget. Provincial subsidies, providing the bulk of revenues received from outside the community, are of greatest importance to smaller municipalities, providing, on the average, 20 percent of total revenues in municipalities under 5,000. In communities over this size, however, the average provincial contribution amounted to less than ten percent of total revenues received for parks and recreation purposes. Most of these grants are conditional in nature, designed to encourage rather than maintain the growth of recreation services. Ceilings have been placed on the subsidies, and as such, their relative contribution is limited compared with the huge sums of money required to provide recreation services in Ontario's large urban centres.

Federal Grants are those received under the Local Incentives Program. The graphs only reflect money received directly by the municipality through this program. Revenues from L.I.P. received by private agencies and community groups for recreation-oriented programs have not been noted in this study, nor have Opportunities for Youth grants, since they are not channelled through municipal systems.

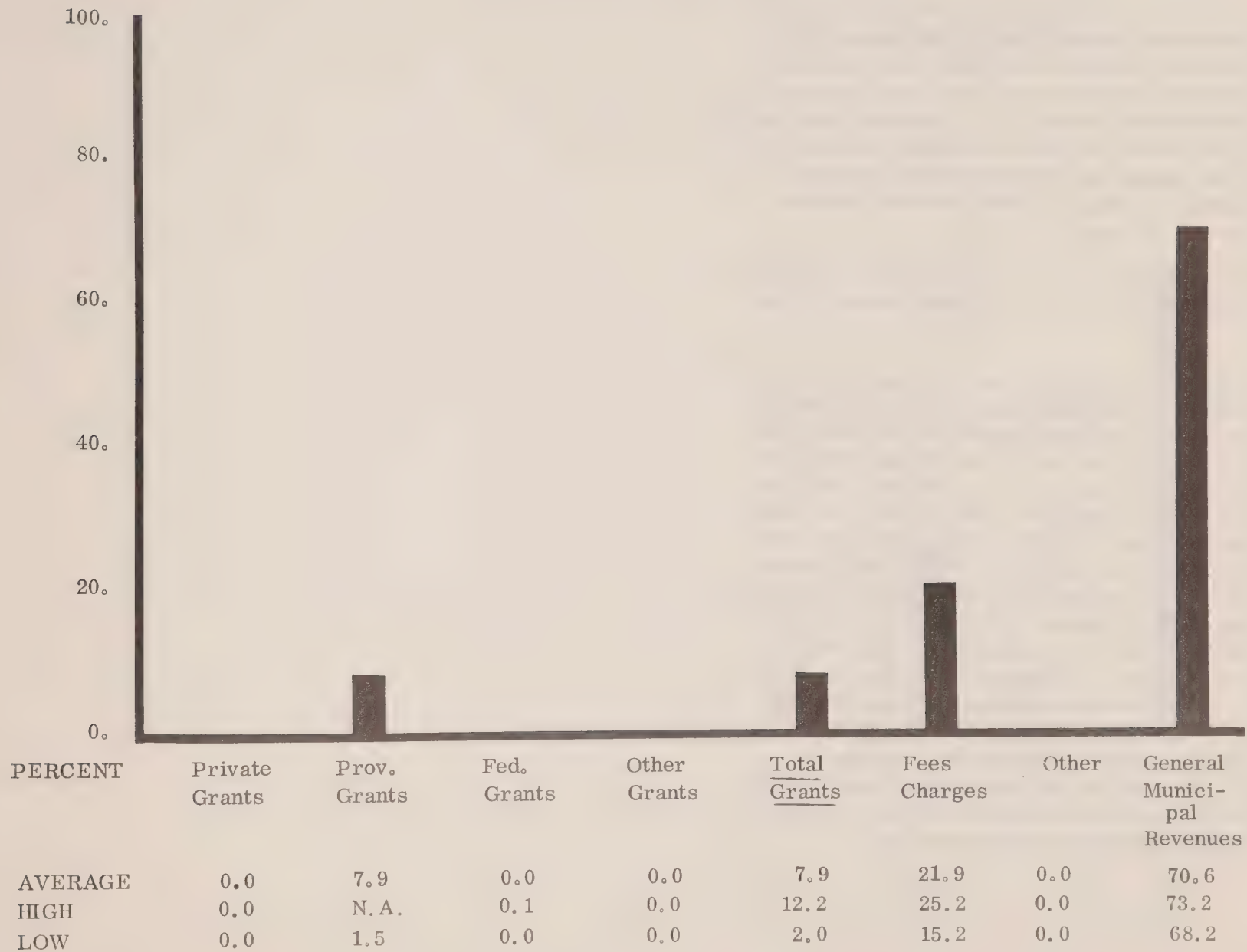
Other Grants are those which do not fall into the other described categories, and may be contributions from other governments such as a county, township or nearby town. This was a source of funds rarely encountered in the municipalities surveyed.

Fees and Charges are funds received from gate rec-

OPERATING REVENUES

02 - BOROUGH

17



ceipts, concessions, user fees and rentals. Communities of populations greater than 16,000 appear to be fairly consistent in receiving between one quarter and one fifth of their total revenues from user receipts. Some municipalities under 16,000, however, are capitalizing on this source of funds to a slightly greater extent. It should be recognized that across these smaller communities, the range of actual revenues received from fees and charges is very wide.

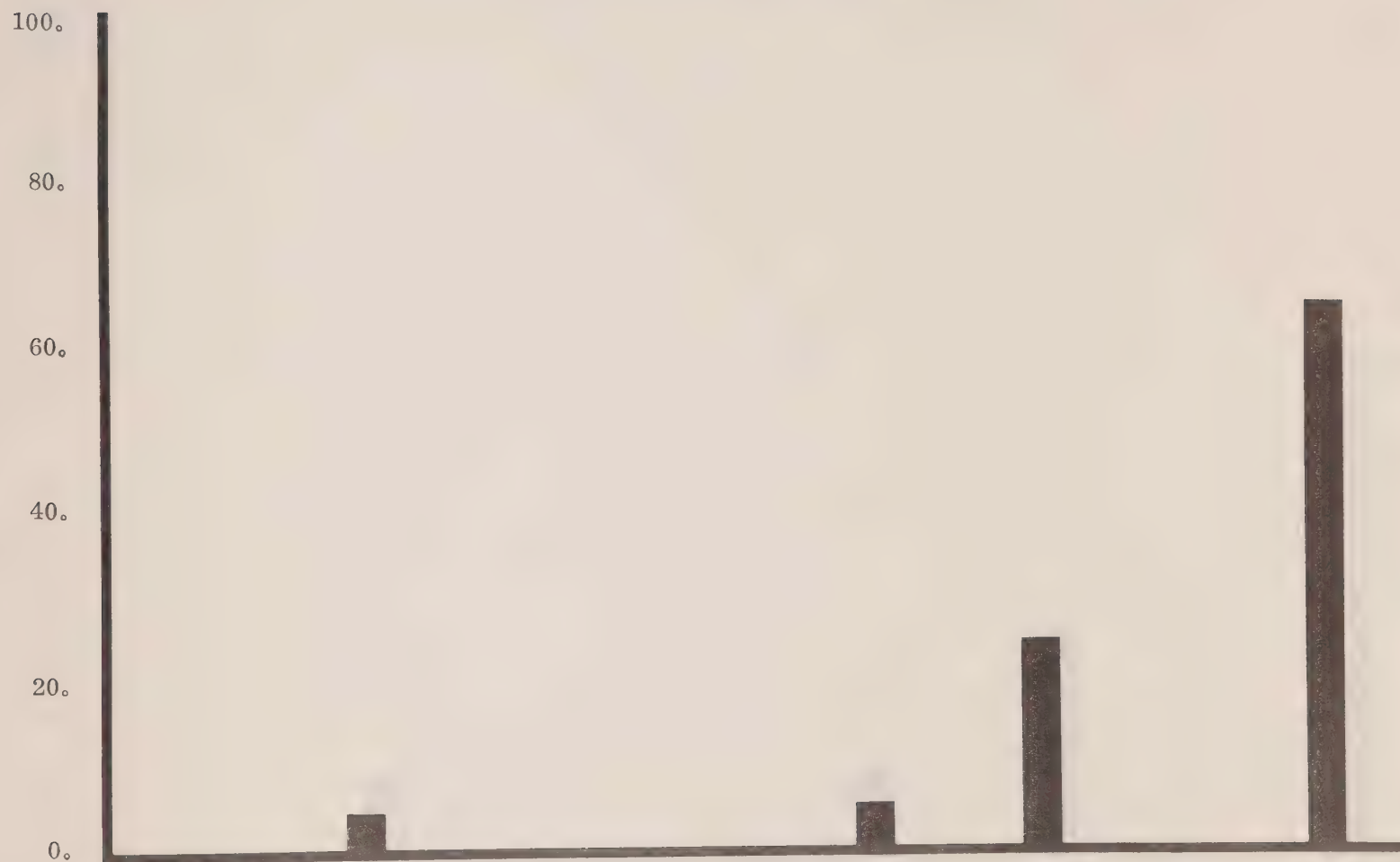
Other revenues are those which could not be reported in the other categories. (insignificant number of responses)

General Municipal Revenues (mainly from taxation) are funds allocated to the recreation authority by municipal council. The municipal expenditure is usually the balance of required revenue in the recreation budget after subsidies and monies from operations have been forecast for the planned year, and, as such, is usually the largest and most reliable source of income available to the recreation authority. The average contribution in the various population categories ranged from 47.1 percent to 73 percent, indicating a relatively strong commitment by municipalities to the provision of leisure services. The tendency towards a smaller relative contribution as municipalities decrease in size is a reflection of proportionally larger amounts of money being received from grants and fees and charges. The smaller population groups are obviously depending on these sources of revenue to provide a major portion of leisure services offered.

OPERATING REVENUES

03 - MUNICIPALITIES 30,000 - 100,000

19



PERCENT	Private Grants	Prov. Grants	Fed. Grants	Other Grants	<u>Total Grants</u>	Fees Charges	Other	General Municipal Revenues
AVERAGE	0.2	3.7	0.7	0.3	5.1	26.3	0.1	64.4
HIGH	1.6	15.4	5.9	5.4	20.8	50.2	1.1	100.0
LOW	0.0	0.7	0.0	0.0	0.7	6.9	0.0	3.9

OPERATING REVENUES

04 - MUNICIPALITIES 16,000 - 30,000

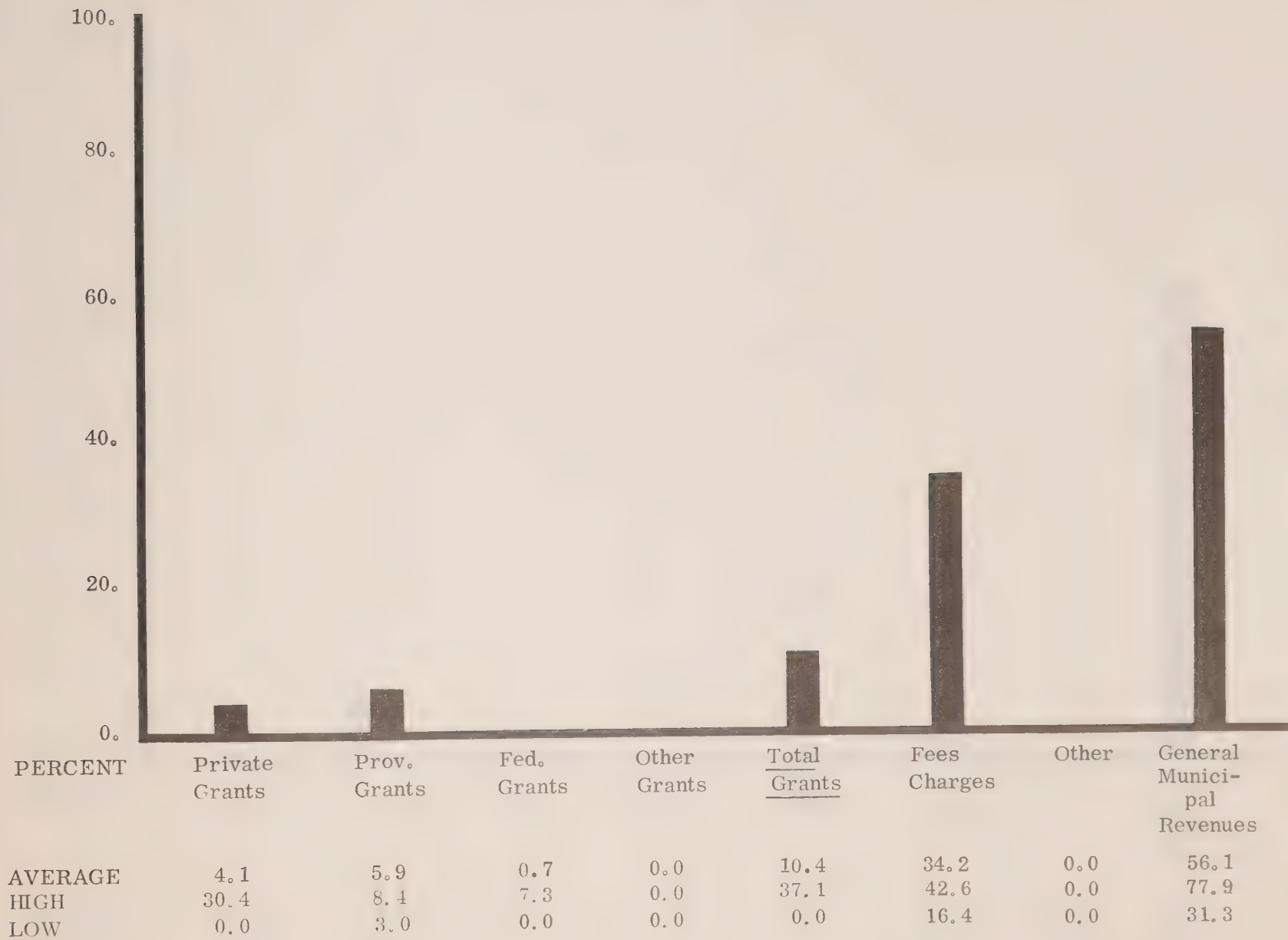
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PERCENT	Private Grants	Prov. Grants	Fed. Grants	Other Grants	<u>Total Grants</u>	Fees Charges	Other	General Municipal Revenues
AVERAGE	0.2	8.5	0.4	0.0	9.1	27.1	0.0	61.6
HIGH	1.3	19.3	5.0	0.0	19.3	47.1	0.0	78.7
LOW	0.0	2.0	0.0	0.0	2.0	3.0	0.0	37.1

OPERATING REVENUES
05 - TOWNS 5,000 - 16,000

23



OPERATING REVENUES
06 - TOWNSHIPS 5,000 - 16,000

25



AVERAGE	1.0	7.1	0.0	0.0	9.2	31.6	0.0	65.9
HIGH	5.5	14.7	0.0	0.0	14.7	68.6	0.0	92.0
LOW	0.0	0.0	0.0	0.0	0.0	1.0	0.0	21.1

Subsidies and Grants – Operating

SUBSIDIES AND GRANTS - OPERATING

All operating grants received by the various boards and committees surveyed have been totalled and their relative contribution calculated for comparisons within each of the seven population categories. The grants outlined contain a wide variety of conditions, some being very specific. As a result, municipalities did not receive all the subsidies shown on the charts. The graphs are based on averages, therefore lucrative grants, (i.e. the Elderly Persons Centres, Day Nurseries subsidies) because they were rarely received by recreation authorities in 1972, are shown as very slight sources of income. This is not to say however, that municipalities are not receiving these subsidies. They could be indicated in budgets other than those which were surveyed.

Although the Annual Program Grant (Regulation 200 under the Ministry of Community and Social Services) is limited in its dollar value, it remains the only annual subsidy available to recreation committees for their general program and leadership expenses. The grant becomes increasingly important in communities with a small population primarily because the maximum of \$15,000 paid to Ontario's largest recreation authorities is, in their view, "Merely a drop in the bucket." The actual grant provided is calculated on the basis of population, recreation expenditures in the previous year, and the qualifications of the director and his assistant. These conditions restrict considerably the funds available to small municipalities.

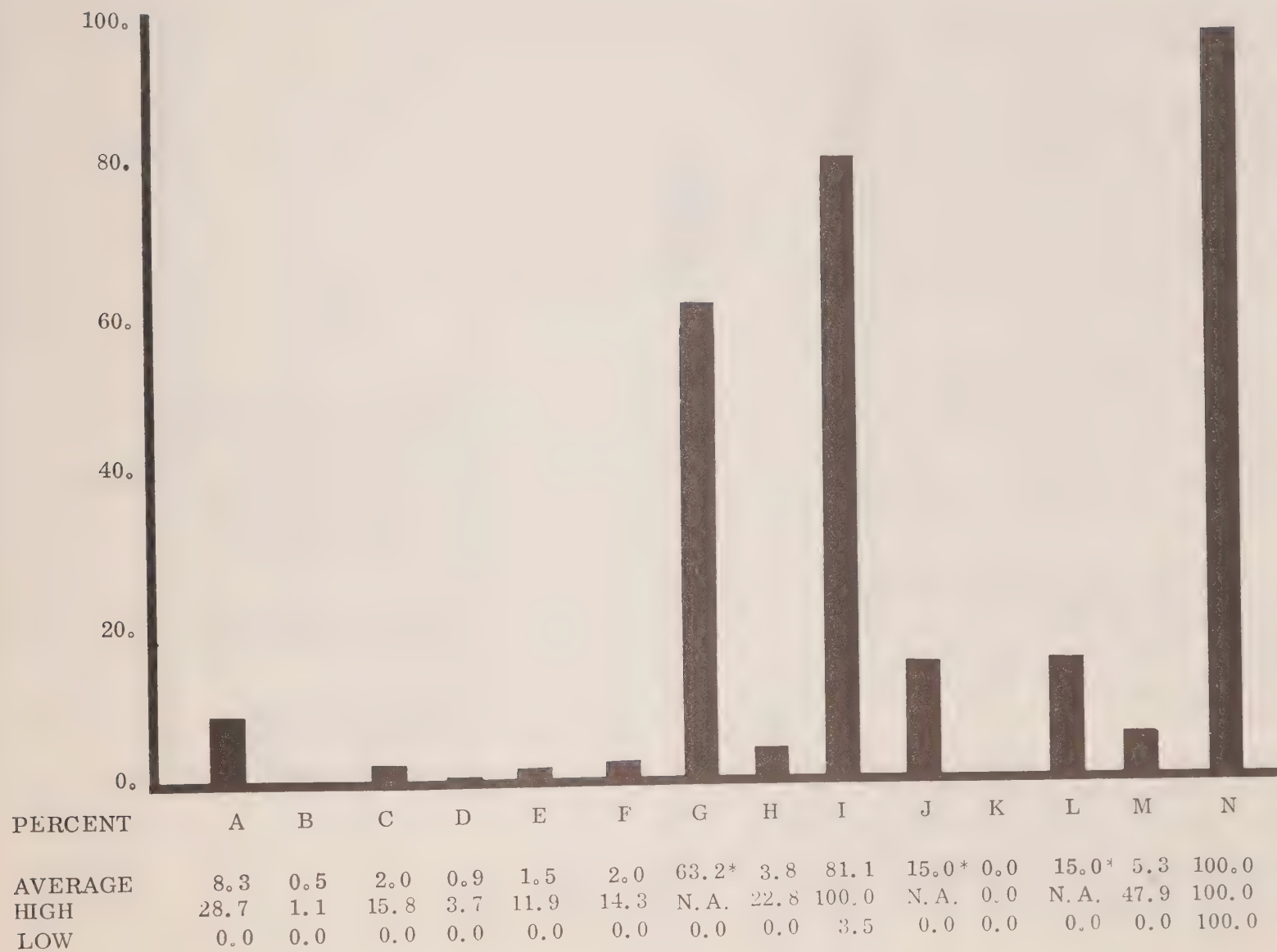
KEY

- A - Annual Program Grant
- B - Arena Manager's Salary Grant
- C - Parks Assistance Grant
- D - Elderly Persons Centres Grant
- E - Day Nurseries Grant
- F - Youth in Action
- G - MEIP (Winter Works)
- H - Other
- I - Total Provincial Grant
- J - LIP and other works
- K - Other
- L - Total Federal Grant
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SUBSIDIES AND GRANTS - OPERATING

01 - MUNICIPALITIES OVER 100,000

31



*Estimate

accounting for the drop in the Program Grant bar in the chart of grants to municipalities under 5,000.

The Arena Manager's Salary Grant is of limited importance in any municipality. Only managers who hold the Provincial Manager's Certificate qualify for the grant, and the amount of money paid by the Province has a very low ceiling. As a result, small centres, whose arena managers lack the recognized qualifications, are not receiving the subsidy, and the income it provides to larger municipalities is negligible.

The grant from the Parks Assistance Act is generally recognized as a capital subsidy for land acquisition, improvements and building. It is entered here under operating grants because some municipalities have recorded the grant in their operating or current capital budgets. The receipt of this subsidy was rarely noted in the survey. (See Subsidies and Grants-Capital)

Operating grants under the Elderly Persons Centres Act and the Day Nurseries Act were recorded in the recreation budgets of a very few municipalities. In these instances, the recreation department was usually a division of a community services department within the municipality.

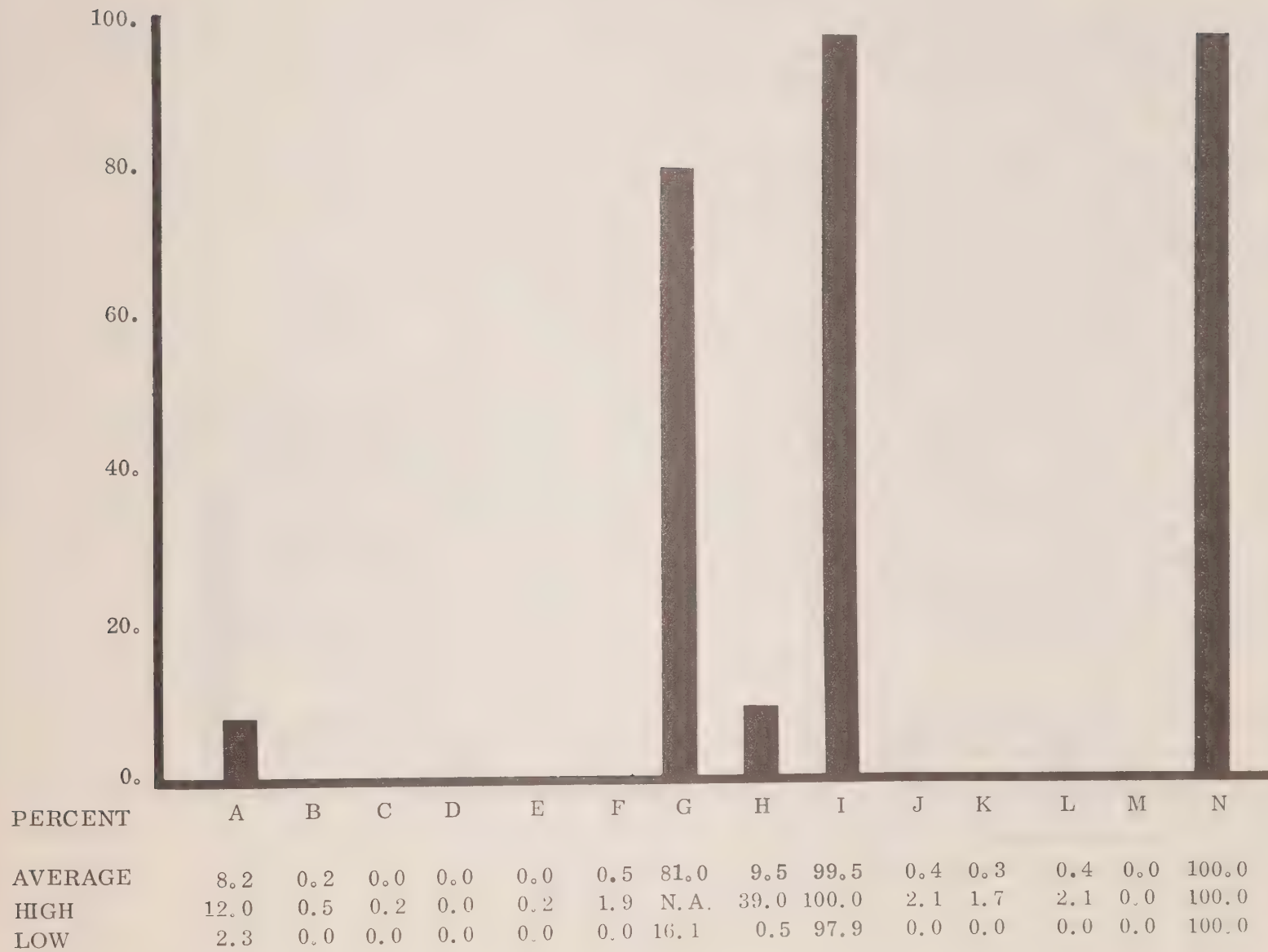
Youth-in-Action funds, on the average, had a more marked impact on municipalities under 16,000, probably reflecting the policy of providing funds in centres where resources for special programs are limited. As well, because of the restricted amounts of money available through the program, money received by

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SUBSIDIES AND GRANTS - OPERATING
02 - BOROUGH

33



large recreation departments is barely recognized when compared with other grants and incomes. Youth-in-Action funds received by private community groups have not been identified in this study.

Analysis has demonstrated the phenomenal impact which short term, political funding programs can have in providing municipal services. The Municipal Employment Incentives Program (Winter Works), in 1972, was by far the most lucrative source of government income for parks and recreation, especially in the large urban centres. There are a number of explanations for the noticable drop in this particular graph as the population categories grow smaller. Much of the Winter Works money was used for the labour costs of programs such as tree and brush clearing. In small communities, this responsibility often falls to the public works department, and would be shown in their budget. (This study did not collect these figures.) In large municipalities, however, the parks department usually performs tasks such as tree maintenance along streets, so that revenues from Winter Works were indicated in the budget figures collected.

Administrative difficulties at the provincial level in 1972 resulted in a late publication of the program conditions. Only those municipalities which anticipated the revenues actually submitted applications before the stipulated deadline. As a result, fewer municipalities received subsidies than was expected by the administrators of M. E. I. P. (See Subsidies and Grants - Capital)

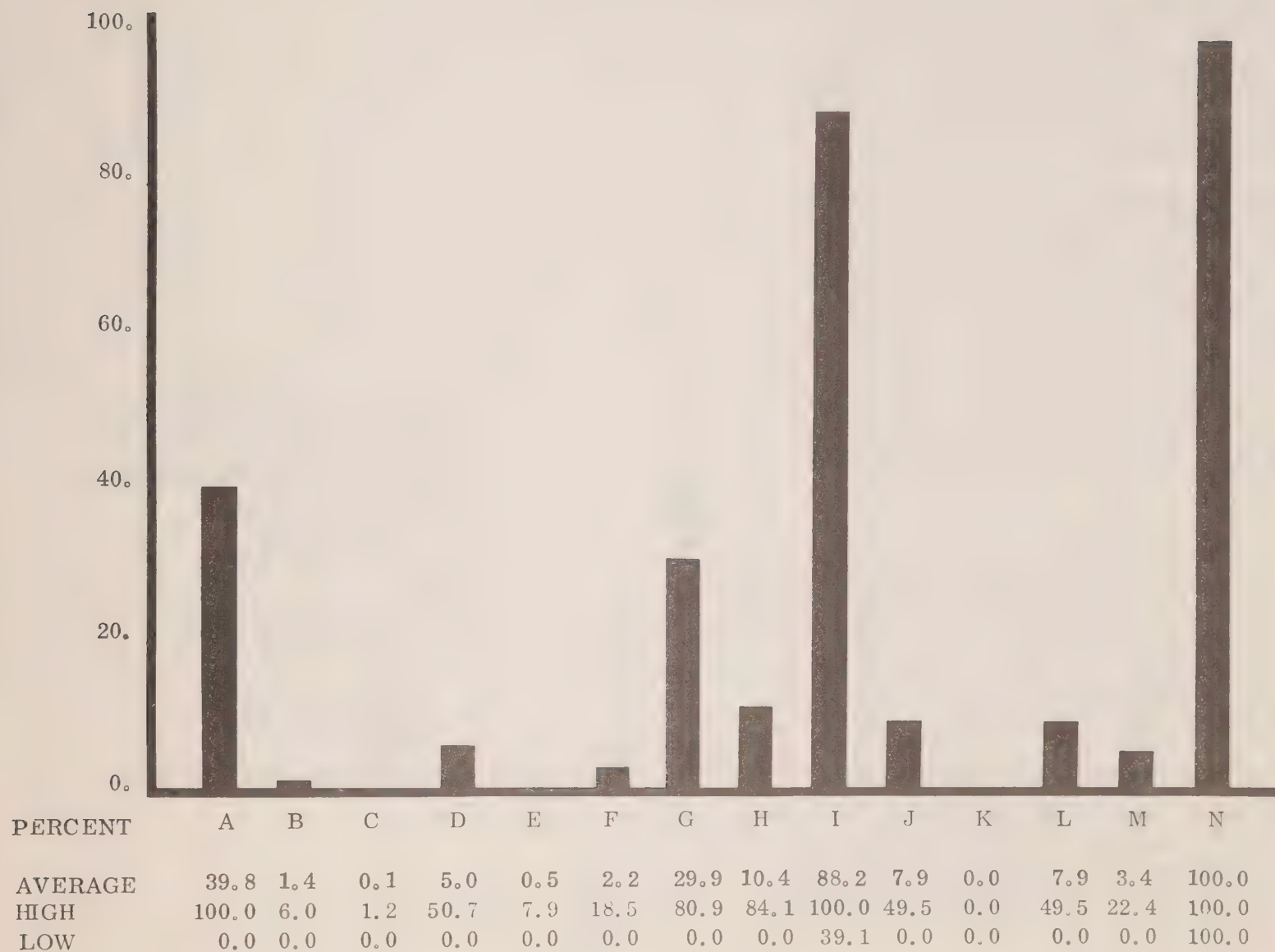
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SUBSIDIES AND GRANTS - OPERATING

03 - MUNICIPALITIES 30,000 - 100,000

35



Grants which were unclassified on the study questionnaire, and those of a capital nature received into the operating budget of some communities are designated as Other Grants. The inconsistent length of this graph throughout the survey results is an indication of the variations in capital budget reporting structures.

The Total Provincial Grant, ranging from 75 percent to 99 percent of all recreation and parks subsidies received by municipalities, indicates that the province is obviously the prime provider of extra income. Analysis indicates, though, that provincial revenue is not having as great an impact as may be expected on the small municipality whose tax base is usually limited. The inhibiting conditions of the Annual Program Grant and the lack of funds from Winter Works in 1972 have resulted in a disparity, especially in the surveyed communities under 5,000 population.

Because only about \$500,000 of a twenty million dollar budget was allocated directly to municipal authorities, L.I.P. grants had limited impact in 1972 on the municipal recreation scene. L.I.P. grants provided about 15 percent of the total operating grants received in communities over 100,000, with their relative value decreasing with the population. (See Subsidies and Grants-Capital)

Private Grants from business, industry and public subscription appear to have taken over where the province left off in providing additional municipal recreation revenues. The dollar entries in this and other grant classifications were widely scattered, indicating great

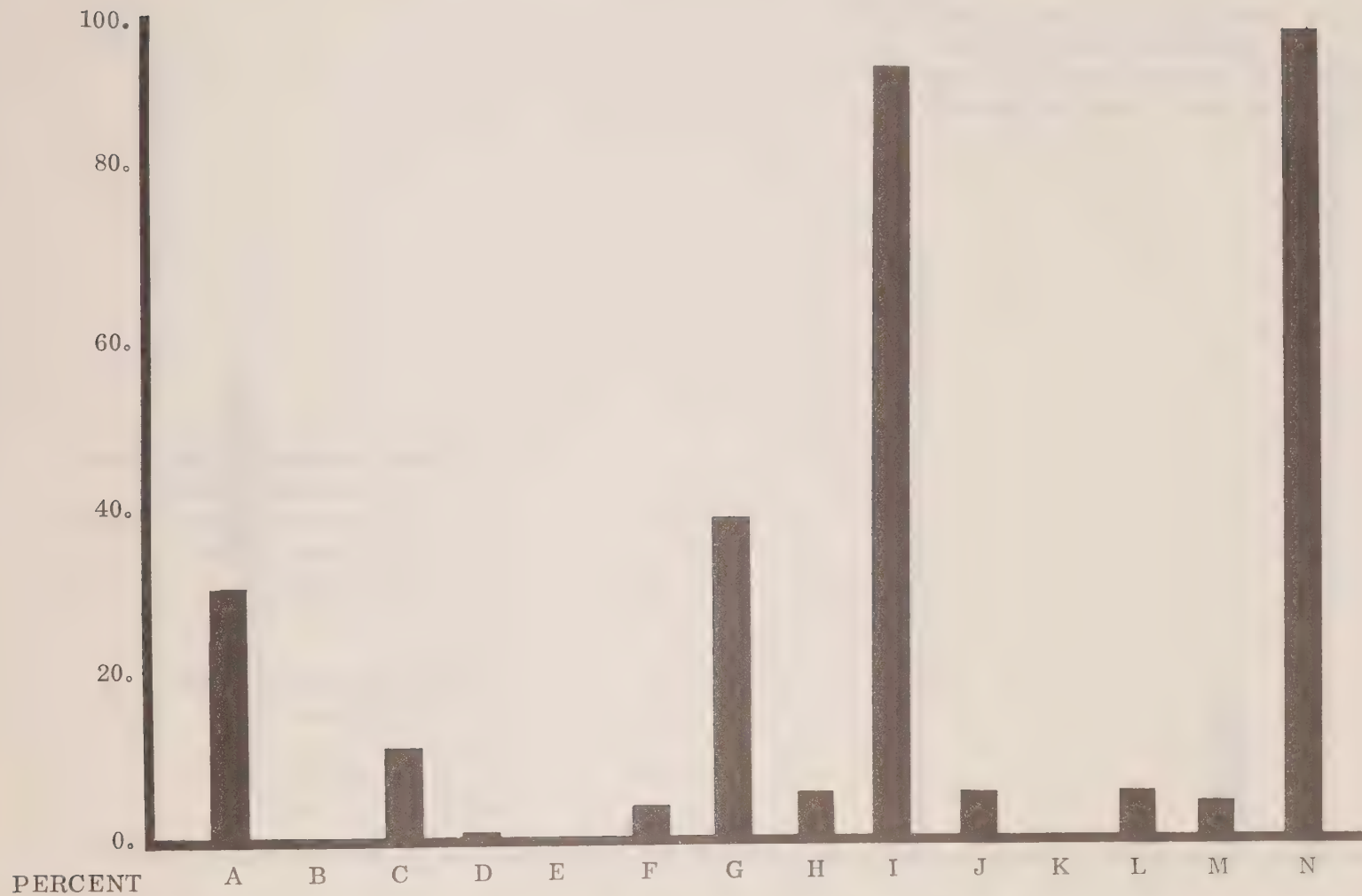
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SUBSIDIES AND GRANTS - OPERATING

04 - MUNICIPALITIES 16,000 - 30,000

37



AVERAGE	30.4	0.6	11.7	0.9	0.0	3.3	39.8	4.8	94.3	4.8	0.0	4.8	3.5	100.0
HIGH	100.0	4.7	85.3	9.5	0.0	24.2	77.2	26.5	100.0	48.2	0.0	48.2	0.0	100.0
LOW	11.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	44.0	0.0	0.0	0.0	0.0	100.0

variations across municipalities in the receipt of subsidies, and in their importance relative to other revenues. Recognize again the voluntary support for community recreation which cannot be measured in a study of this nature.

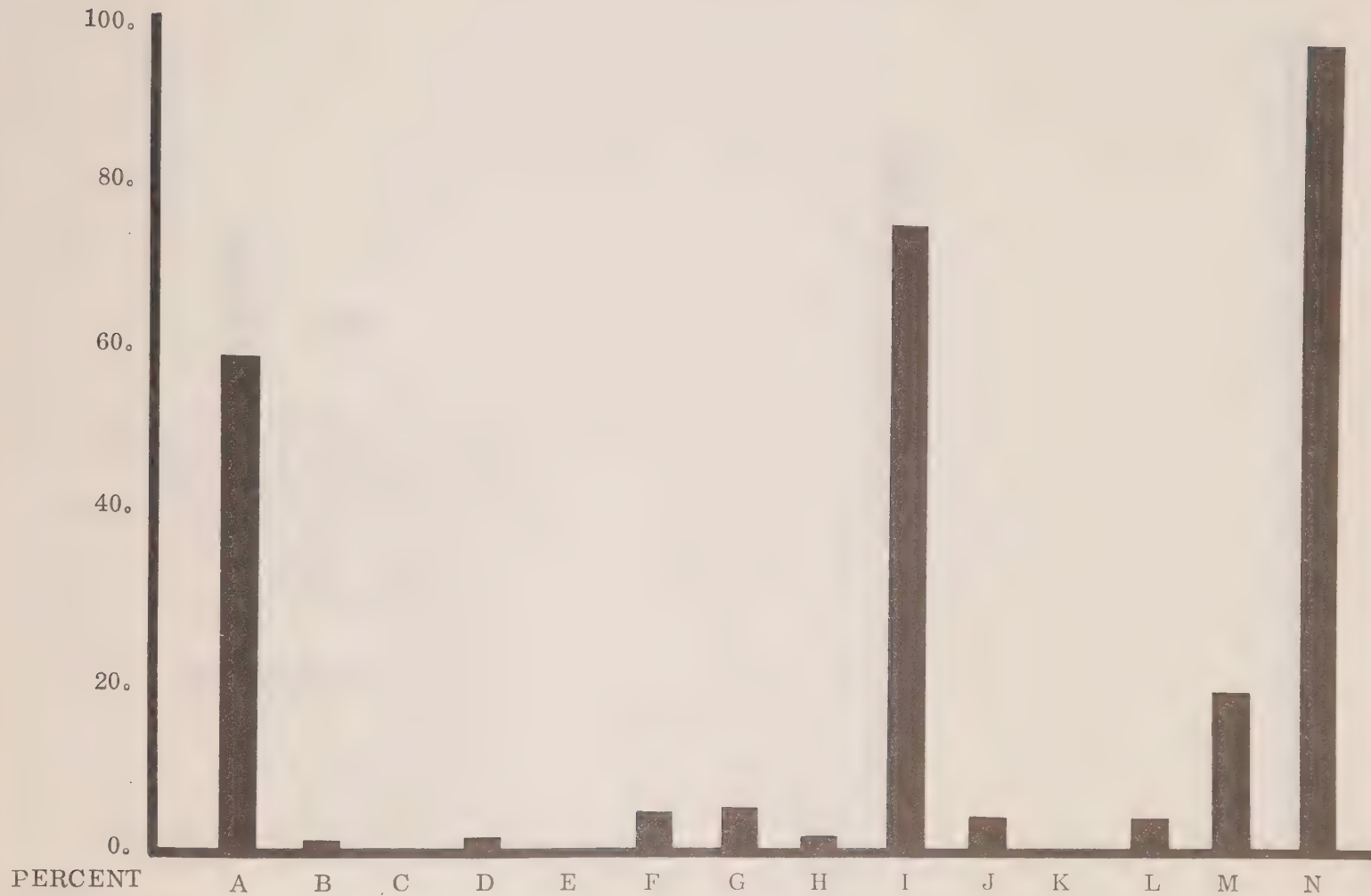
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SUBSIDIES AND GRANTS - OPERATING

05 - TOWNS 5,000 - 16,000

39



AVERAGE	59.0	1.1	0.0	1.6	0.0	4.7	5.8	1.9	75.0	4.7	0.0	4.7	20.1	100.0
HIGH	100.0	10.7	0.0	15.6	0.0	23.2	46.5	17.6	100.0	46.7	0.0	16.7	93.7	100.0
LOW	12.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.1	0.0	0.0	0.0	0.0	100.0

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SUBSIDIES AND GRANTS - OPERATING

06 - TOWNSHIPS 5,000 - 16,000

41

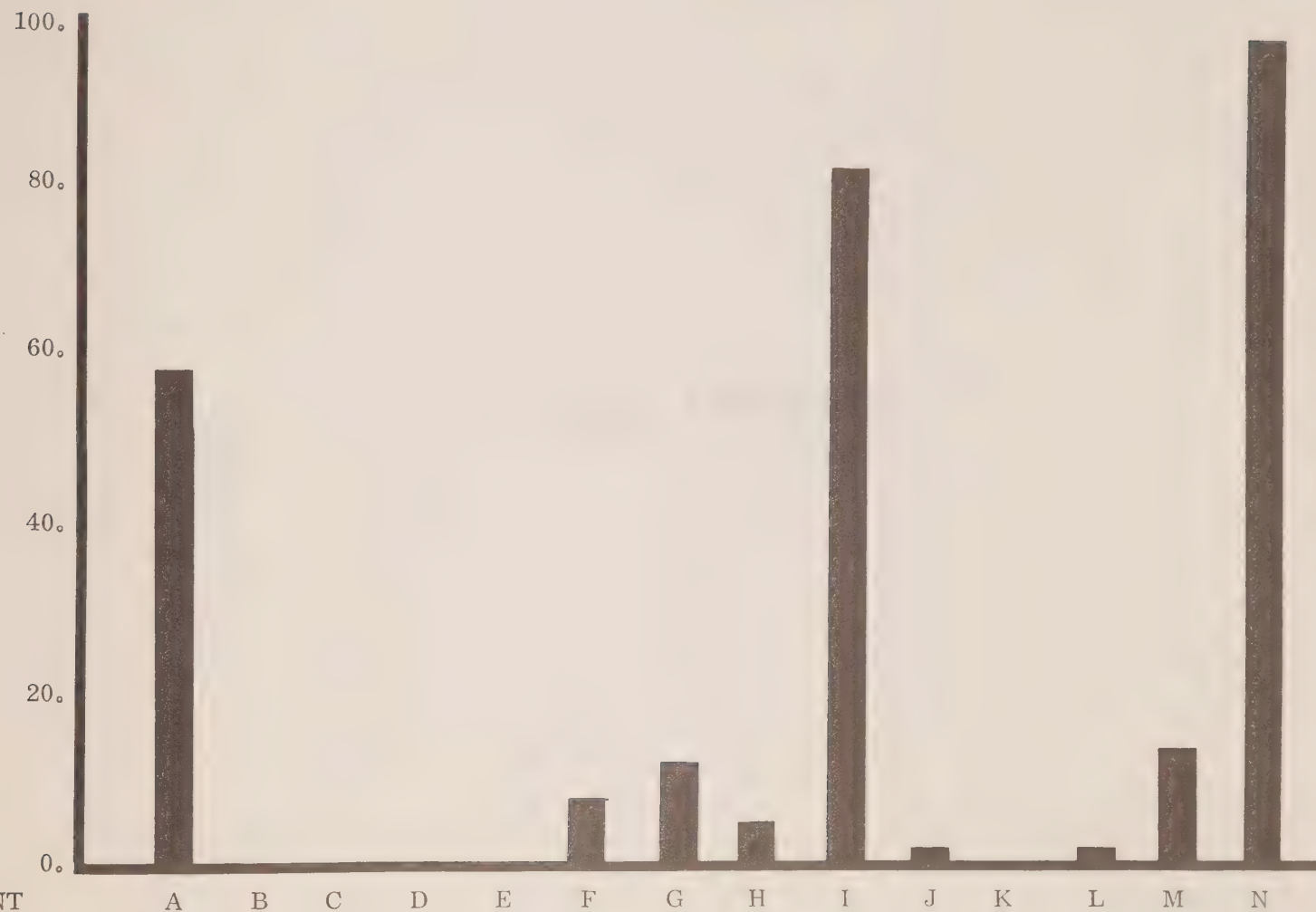


PERCENT	A	B	C	D	E	F	G	H	I	J	K	L	M	N
AVERAGE	72.9	0.0	0.0	0.0	0.0	6.0	3.4	3.7	86.0	0.0	0.0	0.0	14.0	100.0
HIGH	100.0	0.0	0.0	0.0	0.0	42.1	23.8	26.2	100.0	0.0	0.0	0.0	50.0	100.0
LOW	39.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	50.0	0.0	0.0	0.0	0.0	100.0

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- H - Other
- I - Total Provincial Grant
- J - LIP and other works
- K - Other
- L - Total Federal Grant
- M - Private Grants
- N - Total Grant from all Sources

07 - MUNICIPALITIES UNDER 5,000



PERCENT

AVERAGE

HIGH

LOW

[illegible]

Capital Revenues

CAPITAL REVENUES

The following seven charts are an indication, in each population category, of the comparative average contribution of debentures, general municipal revenues, reserve funds and grants in offsetting recreation and parks capital costs. Only those municipalities who reported receiving capital revenues are included in the charts, and this non-response increases consistently as the population grows smaller. Thus, the frequency of capital spending decreases with population.

Because of long-term financing techniques, capital revenues and expenditures are very difficult to collect and analyse accurately for any given year. Debentures issued in 1972 may be employed to cover the costs of a past, present or future capital project. Similarly, capital grants are usually delivered as a reimbursement, after expenses have been incurred. In order to simplify the gathering of data, all revenues collected are those actually received in the study year, though they are unstable indicators of funds actually expended. However, the figures are indicative of the relative amounts of capital funds received in a given year.

Debentures appear to be most frequently issued by municipalities over 16,000, which received from 47.1 percent to 58.6 percent of their total capital revenues from this source. Municipalities under 16,000, on the other hand, are issuing debentures less frequently and for relatively smaller amounts of money than other communities. (8.6 percent - 16 percent of total capital

CAPITAL REVENUES

01 - MUNICIPALITIES OVER 100,000

47



PERCENT	Debentures	General Municipal Revenues	Reserve Funds	Other Municipal Funds	Total Municipal Revenues	Capital Grants	Other	Total Capital Revenues
AVERAGE	55.8	23.7	16.7	0.0	95.8	4.2	0.0	100.0
HIGH	99.1	100.0	92.2	0.0	100.0	9.7	0.0	100.0
LOW	0.0	0.0	0.0	0.0	90.3	0.0	0.0	100.0

Note: Only those municipalities who reported receiving capital revenues are included.

income reported). It should be noted that a substantial percentage of operating expenditures, especially in larger municipalities, is used to cover debenture debt charges.

No general pattern emerges in the analysis with regards to General Municipal Revenues being allocated to capital works. Money from this source is usually used for relatively small projects or as the balance of revenue required after debentures and other incomes have been received. Values range from 3.6 percent to 42.8 percent of total capital revenues. Wide variations exist across municipalities in the use of this fund.

Revenues from fund-raising projects, general revenues and/or debentures may be continually placed in a Reserve Fund for future use. As is the case with other capital sources of income, the use of reserves is very sporadic, and a few high entries in this classification have created perhaps misleadingly high averages in each of the population categories.

The Total Municipal Revenues (including debentures), throughout the survey, contributed most toward the funding of capital works. Larger municipalities are generating the bulk of monies required themselves, while smaller communities generally depend more on grants and subsidies. With a range of about 50 percent to 99 percent of capital revenues coming from municipal sources, however, it is obvious that most municipalities are bearing the capital load internally. (Debentures and other loans are ultimately paid for

CAPITAL REVENUES

02 - BOROUGH

49



PERCENT	Debent- ures	General Municipal Revenues	Reserve Funds	Other Municipal Funds	<u>Total Municipal Revenues</u>	Capital Grants	Other	Total Capital Revenues
AVERAGE	58.6	20.5	0.0	25.0	98.9	1.1	0.0	100.0
HIGH	96.1	42.7	0.0	100.0	100.0	3.9	0.0	100.0
LOW	0.0	0.0	0.0	0.0	96.1	0.0	0.0	100.0

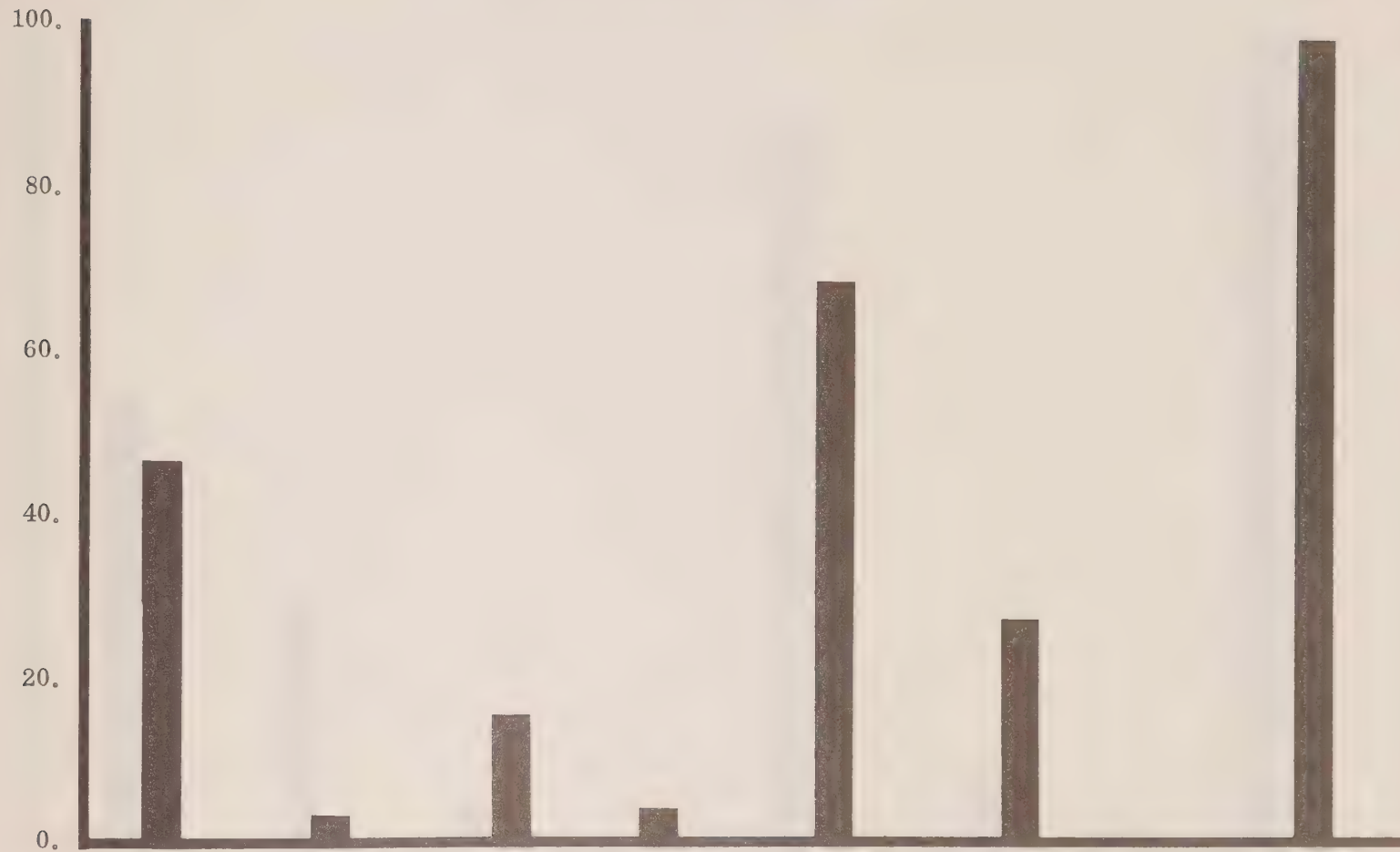
through general revenues and/or reserve funds.)

As was noted in the discussion concerning operating subsidies, Capital Grants have their greatest value in the smaller centres. This particular category refers to Federal, Provincial and private subsidies. Municipalities 30,000 - 100,000 appear to be atypical in their receipt of capital grants and in other areas of revenue. The category as a whole seems to coincide more closely with trends of the small municipalities (ie. under 16,000), rather than those of a greater size.

CAPITAL REVENUES

03 - MUNICIPALITIES 30,000 - 100,000

51



PERCENT

Debentures

General
Municipal
Revenues

Reserve
Funds

Other
Municipal
Funds

Total
Municipal
Revenues

Capital
Grants

Other

Total
Capital
Revenues

AVERAGE

HIGH

LOW

47.1

100.0

0.0

3.6

26.6

0.0

16.0

100.0

0.0

4.6

67.1

0.0

70.6

100.0

0.0

28.5

0.0

0.0

1.0

17.0

0.0

100.0

100.0

100.0

CAPITAL REVENUES

04 - MUNICIPALITIES 16,000 - 30,000

53



PERCENT

Debentures

General
Municipal
Revenues

Reserve
Funds

Other
Municipal
Funds

Total
Municipal
Revenues

Capital
Grants

Other

Total
Capital
Revenues

AVERAGE

54.0

32.3

4.1

0.0

89.5

8.1

2.9

100.0

HIGH

100.0

100.0

22.5

0.0

100.0

32.4

20.3

100.0

LOW

0.0

0.0

0.0

0.0

67.6

0.0

0.0

100.0

CAPITAL REVENUES

05 - TOWNS 5,000 - 16,000

55



PERCENT

Debentures

General
Municipal
Revenues

Reserve
Funds

Other
Municipal
Funds

Total
Municipal
Revenues

Capital
Grants

Other

Total
Capital
Revenues

AVERAGE

HIGH

LOW

16.4

42.8

0.0

0.0

59.2

40.8

0.0

100.0

98.3

100.0

0.0

0.0

100.0

100.0

0.0

100.0

0.0

0.0

0.0

0.0

0.0

0.0

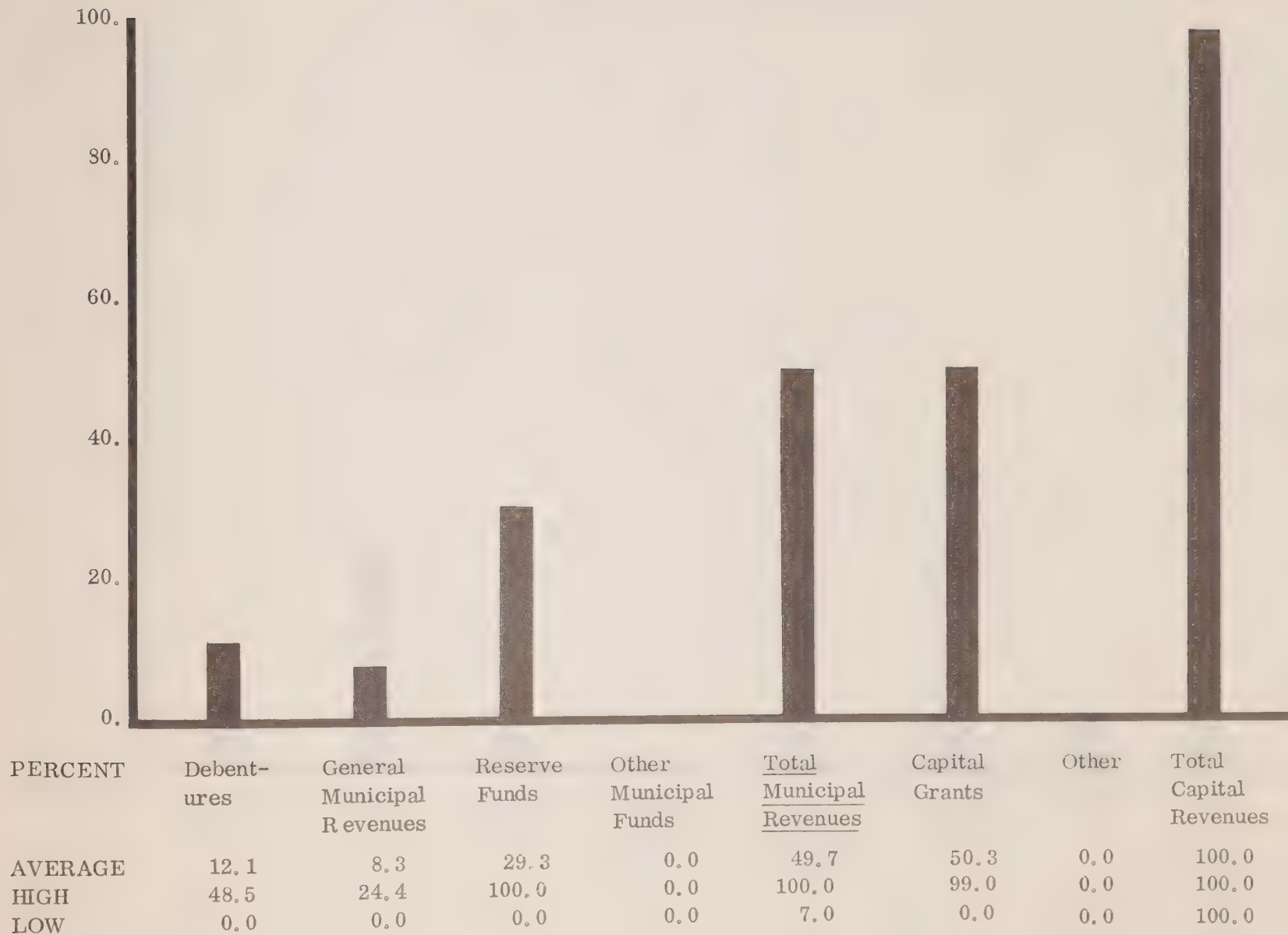
0.0

100.0

CAPITAL REVENUES

06 - TOWNSHIPS 5,000 - 16,000

57



Subsidies and Grants– Capital

SUBSIDIES AND GRANTS - CAPITAL

Like operating subsidies, grants for capital works are designed as incentives toward building programs. Many of the assistance programs are very flexible in nature (e.g. Community Centres Act, L.I.P., and M.E.I.P.) allowing communities to build facilities which meet their own specific needs.

KEY

The Parks Assistance Act, however, is one grant program which outlines a number of conditions to be met by municipalities before provincial income is received. Hence, its use is restricted compared with other capital subsidies. Receipts from this source were very high in the few surveyed municipalities which received assistance. (See Subsidies and Grants-Operating.)

Capital grants and subsidies under the Trees, Forestry and Conservation Authorities Acts were never encountered during the collection of data. The Trees Act is enabling legislation allowing municipalities to acquire land for forestry purposes. No grants are available under this act. Counties, townships and Conservation Authorities, rather than urban centres have tended to receive subsidies under the Forestry Act. The grant is offered for the acquisition of wooded areas, which are then managed by the Ministry of Natural Resources. Because counties do not normally have responsibilities in the area of recreation, they were not included in the study. Municipalities manage and maintain Conservation Authorities on a co-operative

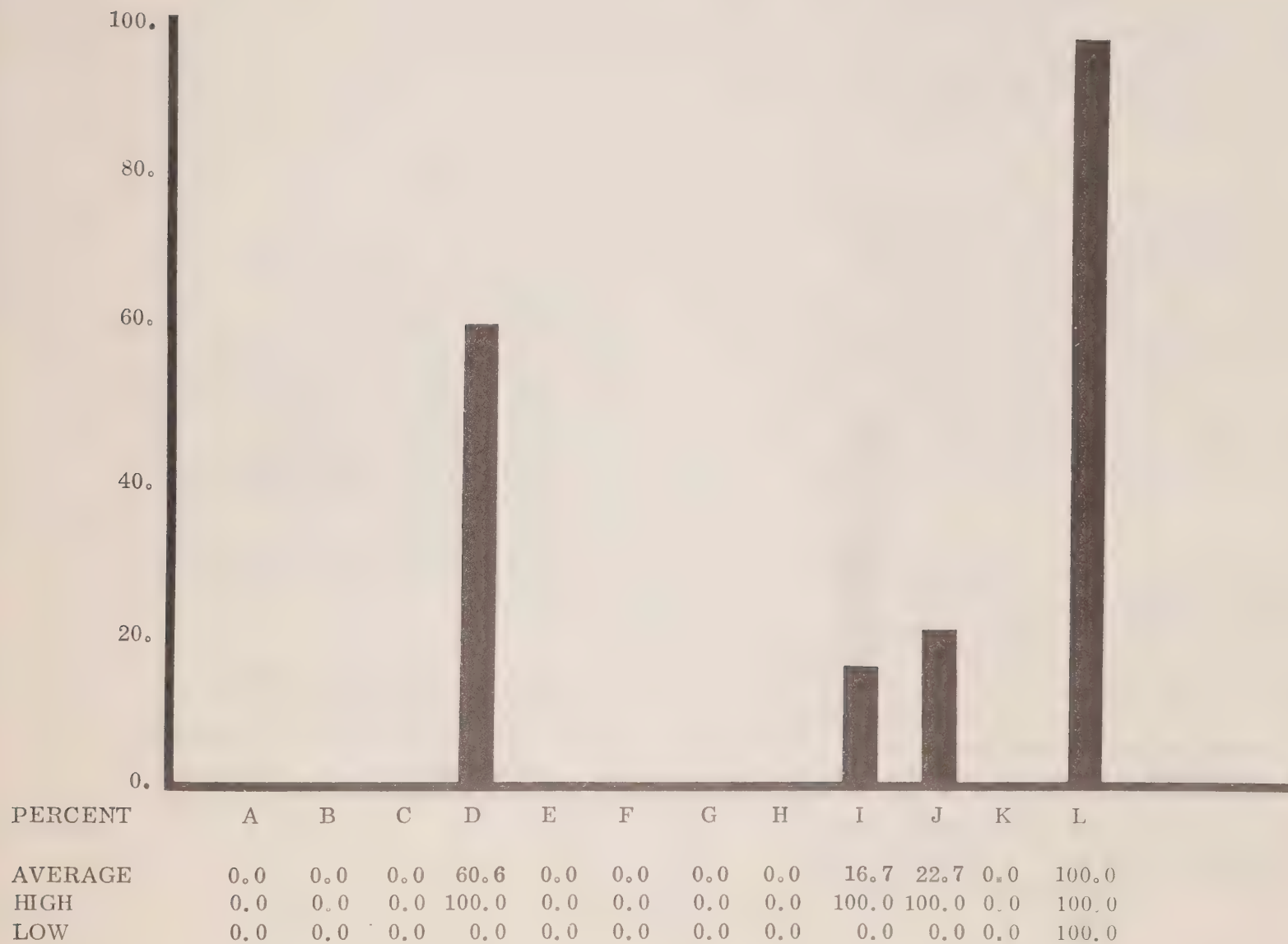
- A - Parks Assistance Act Grant
- B - Trees Act Grant*
- C - Forestry Act Grant**
- D - Community Centres Act Grant
- E - Conservation Authorities Act Grant***
- F - Elderly Persons Centres Act Grant
- G - Day Nurseries Act Grant
- H - MEIP (Winter Works) Capital Grant
- I - LIP (Winter Works) Capital Grant
- J - Private Grants
- K - Other Grants, Loans or Subsidies
- L - Total

* Invalid - no grants available
Never encountered
*** Never encountered - not received by municipalities

SUBSIDIES AND GRANTS - CAPITAL

01 - MUNICIPALITIES OVER 100,000

63



Note: Only those authorities who reported receiving Capital subsidies are included.

basis, and the Authority, rather than the municipality, receives grants directly from the Province. A very large amount of money was used in 1972, in the development of recreation facilities within the Conservation Authorities. These figures were not collected in the municipal survey.

Changes in government policy during 1972-73 regarding the Community Centres Act may have caused irregular reporting of the receipt of this subsidy. As of April, 1972, the grant was restricted to municipalities of population under 25,000. This policy was reversed in March, 1973. The analysis indicates that this grant had its greatest impact on the largest municipalities, with the exception of communities under 5,000. Many of the figures collected then, were possibly grants actually received in 1973 as claims for 1972 expenditures. The Act provides assistance for the building of recreation facilities.

Capital assistance for the building of Elderly Persons Centres and Day Nurseries was rarely received by recreation and parks authorities in 1972. Generally, these grants are received by the Social Planning Council of a municipality, though the Elderly Persons Centres Act specifically caters to recreation facilities for senior citizens. The subsidies are available to recreation committees provided they meet the grant conditions.

It is indicated in the charts that small municipalities under 16,000 and those in the 30,000 - 100,000 bracket are utilizing money from the Municipal Employment

KEY

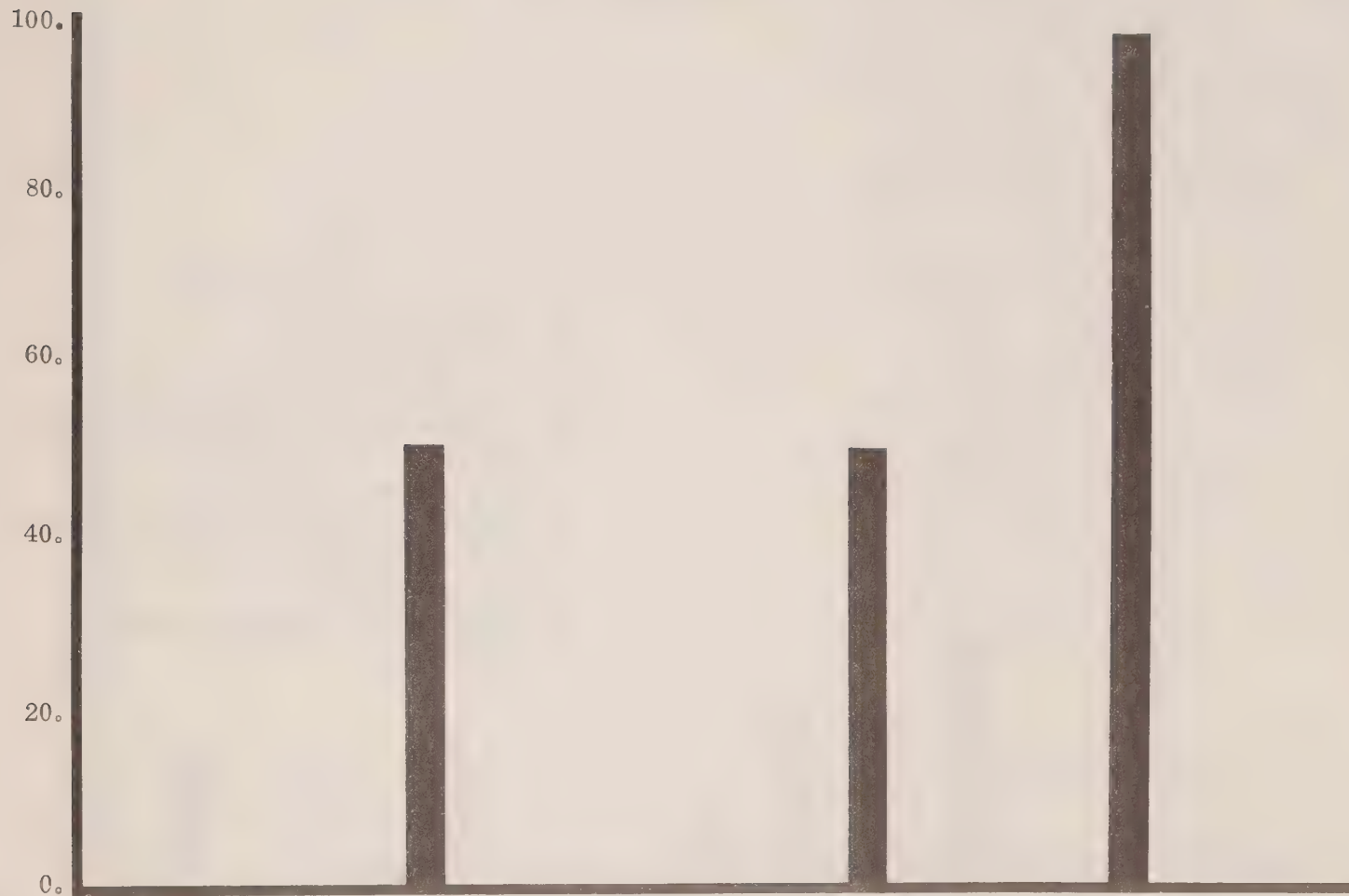
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* Invalid - no grants available

** Never encountered

*** Never encountered - not received by municipalities

02 - BOROUGHS



PERCENT

A	B	C	D	E	F	G	H	I	J	K	L
1	2	3	4	5	6	7	8	9	10	11	12
13	14	15	16	17	18	19	20	21	22	23	24
25	26	27	28	29	30	31	32	33	34	35	36
37	38	39	40	41	42	43	44	45	46	47	48
49	50	51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70	71	72
73	74	75	76	77	78	79	80	81	82	83	84
85	86	87	88	89	90	91	92	93	94	95	96
97	98	99	100	101	102	103	104	105	106	107	108
109	110	111	112	113	114	115	116	117	118	119	120
121	122	123	124	125	126	127	128	129	130	131	132
133	134	135	136	137	138	139	140	141	142	143	144
145	146	147	148	149	150	151	152	153	154	155	156
157	158	159	160	161	162	163	164	165	166	167	168
169	170	171	172	173	174	175	176	177	178	179	180
181	182	183	184	185	186	187	188	189	190	191	192
193	194	195	196	197	198	199	200	201	202	203	204
205	206	207	208	209	210	211	212	213	214	215	216
217	218	219	220	221	222	223	224	225	226	227	228
229	230	231	232	233	234	235	236	237	238	239	240
241	242	243	244	245	246	247	248	249	250	251	252
253	254	255	256	257	258	259	260	261	262	263	264
265	266	267	268	269	270	271	272	273	274	275	276
277	278	279	280	281	282	283	284	285	286	287	288
289	290	291	292	293	294	295	296	297	298	299	300
301	302	303	304	305	306	307	308	309	310	311	312
313	314	315	316	317	318	319	320	321	322	323	324
325	326	327	328	329	330	331	332	333	334	335	336
337	338	339	340	341	342	343	344	345	346	347	348
349	350	351	352	353	354	355	356	357	358	359	360
361	362	363	364	365	366	367	368	369	370	371	372
373	374	375	376	377	378	379	380	381	382	383	384
385	386	387	388	389	390	391	392	393	394	395	396
397	398	399	400	401	402	403	404	405	406	407	408
409	410	411	412	413	414	415	416	417	418	419	420
421	422	423	424	425	426	427	428	429			

AVERAGE

0.0	0.0	0.0	50.0	0.0	0.0	0.0	0.0	50.0	0.0	0.0	100.0
-----	-----	-----	------	-----	-----	-----	-----	------	-----	-----	-------

HIGH

0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	100.0
-----	-----	-----	-------	-----	-----	-----	-----	-------	-----	-----	-------

LOW

[illegible]

Incentives Program (Winter Works) for projects of a capital nature, while other communities preferred to record monies received in their operating budgets. Rather than indicating a greater percentage of capital works in the smaller municipalities, the graphs probably reflect variations in budgeting structures across Ontario's municipalities. The differentiation between capital and operating M. E. I. P. subsidies exists only in municipal reporting systems. Both are actually the same fund, providing income to alleviate unemployment through labour-intensive programs. (See Subsidies and Grants-Operating) . A similar situation exists in dealing with the Federal L. I. P. The grant, when used for capital works, proved very lucrative to the boroughs which received it, and provided from about ten percent to twenty percent total capital subsidies received to other municipalities, with the exception of Townships 5,000 - 16,000. (Recall that the smaller centres were very limited in their use of the L. I. P. grant for operating as well as capital costs.) (See Subsidies and Grants-Operating)

The relative importance of Private Grants from business, industry and public subscription appears to be very great, especially in the smaller communities studied. On the whole, private grants from the community provided larger relative amounts of money for capital works than did all provincial subsidies combined. Excluding the boroughs, which received no income from this source, the percentage contribution ranged

KEY

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- J - Private Grants
- K - Other Grants, Loans or Subsidies
- L - Total

- * Invalid - no grants available
- ** Never encountered
- *** Never encountered - not received by municipalities

03 - MUNICIPALITIES 30,000 - 100,000

[illegible]

from 22.7 percent to 70.4 percent of all grants and subsidies received.

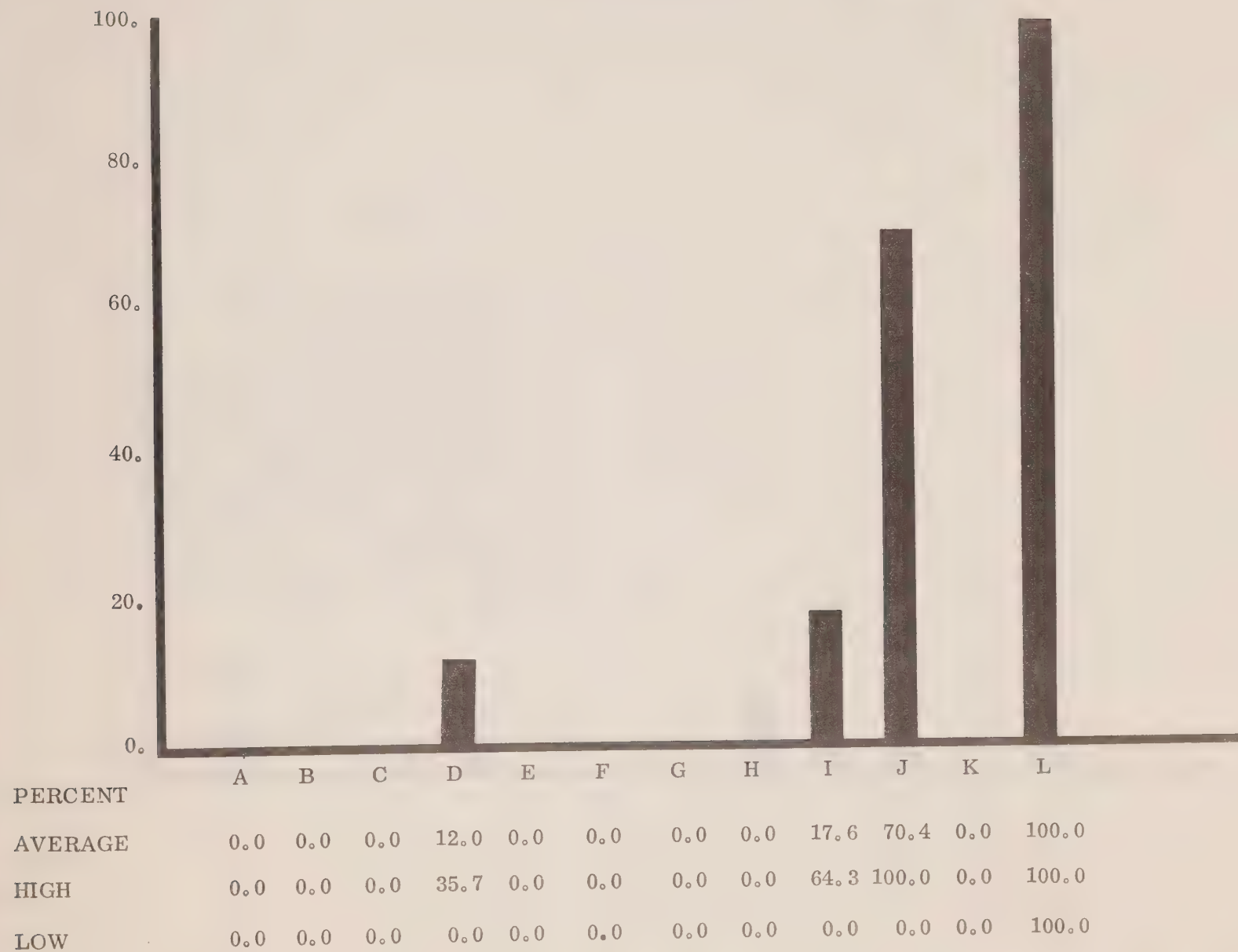
Other capital grants, found only in townships 5,000 - 16,000, and in municipalities under 5,000, were usually contributions from other communities toward the building of a facility which would have shared use.

KEY

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- L - Total

- * Invalid - no grants available
- ** Never encountered
- *** Never encountered - not received by municipalities

04 - MUNICIPALITIES 16,000 - 30,000



KEY

A - Parks Assistance Act Grant
B - Trees Act Grant*
C - Forestry Act Grant**
D - Community Centres Act Grant
E - Conservation Authorities Act Grant***
F - Elderly Persons Centres Act Grant
G - Day Nurseries Act Grant
H - MEIP (Winter Works) Capital Grant
I - LIP (Winter Works) Capital Grant
J - Private Grants
K - Other Grants, Loans or Subsidies
L - Total

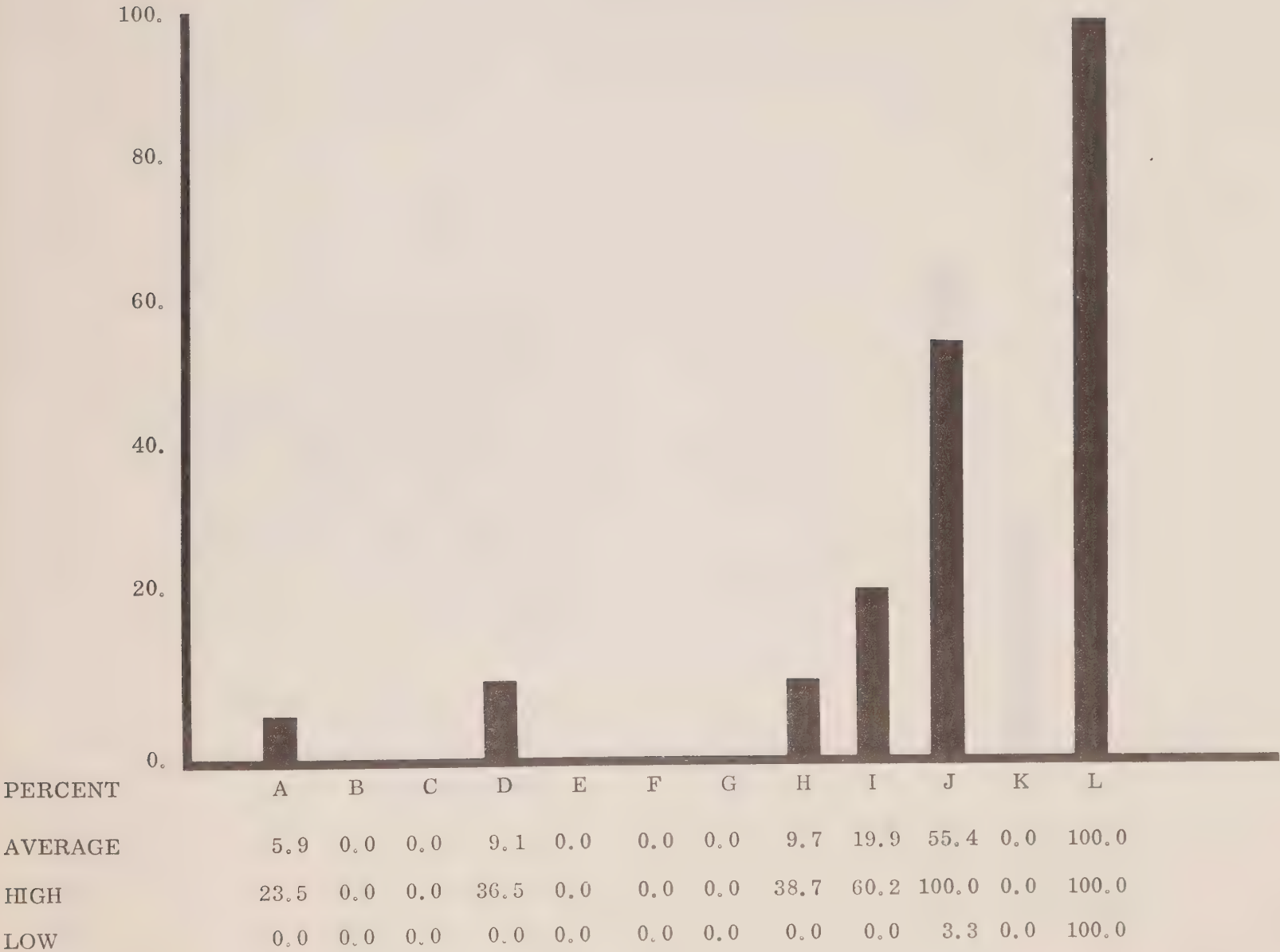
* Invalid - no grants available

** Never encountered

*** Never encountered - not received by
municipalities

SUBSIDIES AND GRANTS - CAPITAL

05 - TOWNS 5,000 - 16,000



KEY

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* Invalid - no grants available

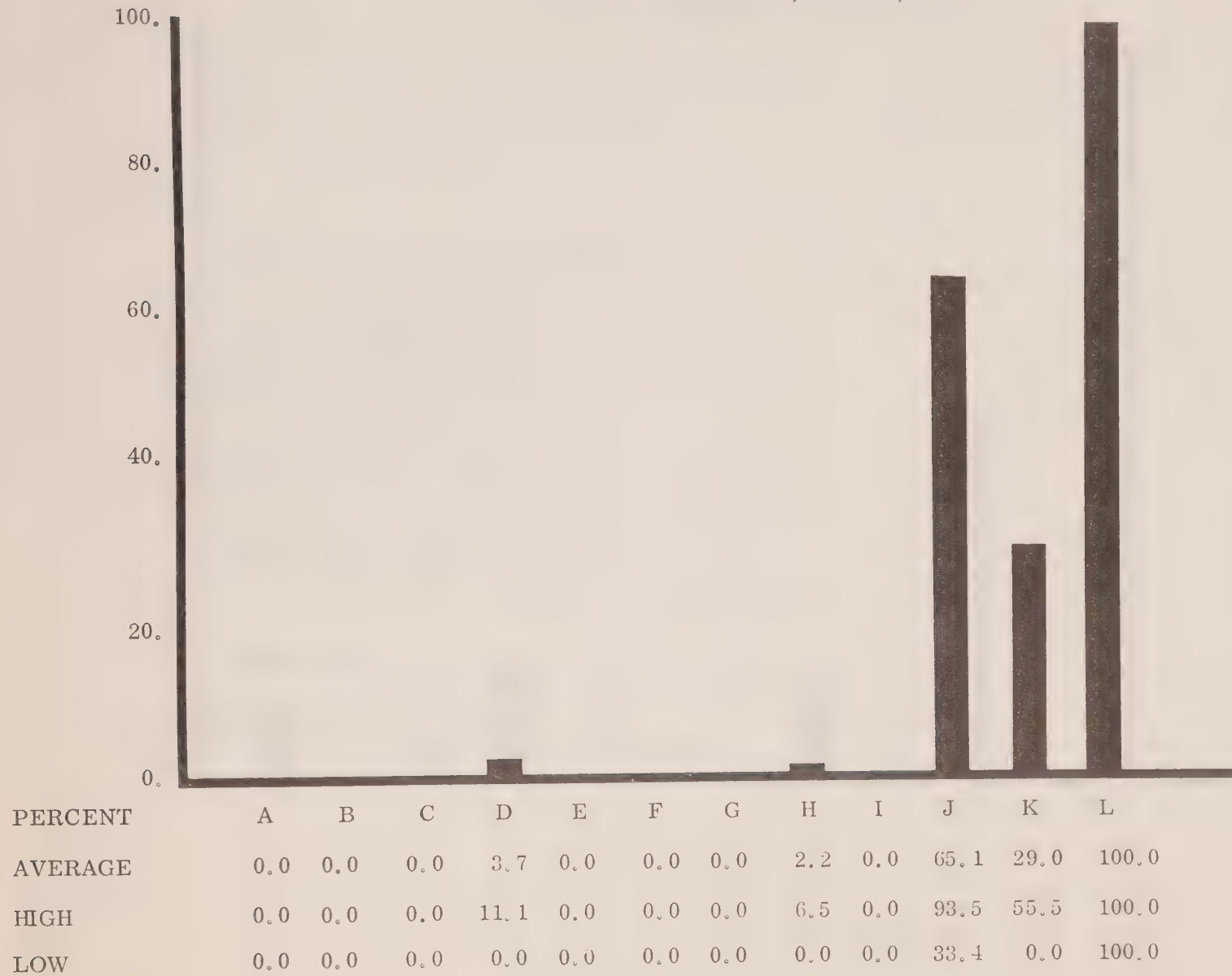
** Never encountered

*** Never encountered - not received by
municipalities

SUBSIDIES AND GRANTS - CAPITAL

06 - TOWNSHIPS 5,000 - 16,000

73



KEY

A - Parks Assistance Act Grant
B - Trees Act Grant*
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E - Conservation Authorities Act Grant***
F - Elderly Persons Centres Act Grant
G - Day Nurseries Act Grant
H - MEIP (Winter Works) Capital Grant
I - LIP (Winter Works) Capital Grant
J - Private Grants
K - Other Grants, Loans or Subsidies
L - Total

* Invalid - no grants available

** Never encountered

*** Never encountered - not received by
municipalities

SUBSIDIES AND GRANTS - CAPITAL

07 - MUNICIPALITIES UNDER 5,000

75



PERCENT

A B C D E F G H I J K L

AVERAGE

10.0 0.0 0.0 15.8 0.0 0.0 0.0 13.8 0.0 48.5 2.0 100.0

HIGH

100.0 0.0 0.0 100.0 0.0 0.0 0.0 100.0 0.0 100.0 15.8 100.0

LOW

0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 100.0

CONCLUSIONS AND RECOMMENDATIONS

Though still in its elementary stages, this research indicates the financial breadth of municipal recreation in Ontario. The figures and trends also reveal monetary disparities and irregularities in service to various population groups which may be due to poor communication of the availability of funds, insufficient planning, and constantly changing policies in all three levels of government. Financial support currently provided for municipal parks and recreation services should be closely scrutinized by municipal, provincial and federal governments, so that adequate leisure-oriented programs and facilities can exist in all communities, regardless of political moods and administrative expertise.

- 1) More research is recommended into the effects of various grants and assistance programs on municipal recreation services. There is a need for more information on how these grants affect the financial structures of the municipality. Items identified as concerns for further study are:

- a) the effects of monies available for capital expansion on the long-term operating finances of municipal recreation
- B) the roles of operating or program-oriented grants in relation to this expansion in capital activity.

- 2) Further study seems advisable into the means and

methods of municipal recreation financial planning. There is a need on the part of municipalities for improved mechanisms of assessing financial capacities in recreation planning and criteria for recreation expenditure.

- 3) Detailed analysis of expenditures has been severely inhibited by the unique nature of financial reporting systems in each municipality across Ontario. Further research is recommended into the expenditure patterns of public recreation agencies, with the ends that levels of service may be defined and priorities for spending may be established in keeping with current social requirements.
- 4) Since this report merely summarizes the state of municipal recreation finances during one year, it cannot reflect trends. So that more information may be made available in this area on a continuing basis, the establishment of an efficient, continuing reporting structure for municipal recreation financial data is strongly recommended.
- 5) The development of standardized accounting and reporting procedures is essential if comparative data from Ontario municipalities are to be useful in developing fiscal policies affecting recreation services.

